



88% of Americans say High Gasoline Prices Concern them, According to the Cambridge Consumer Credit Index

The vast majority of Americans (88%) say that rising gasoline prices are a concern for them and their household budgets, according to the Cambridge Consumer Credit Index.

Islandia, NY ([PRWEB](#)) June 7, 2005 -- Over half of Americans (54%) say that high energy prices are a major concern, 34% say high gas prices are a minor concern, and 10% are not concerned about the level of gas prices.

A year ago, the overall level of concern was the same, but slightly more Americans thought high gas prices were a major concern than think so today. Here is a comparison of the results:

“Considering your own financial budget, tell me how much of a concern higher gas prices are to you. Are they a:

June 2005

June 2004

Major concern	54%	56%
Minor concern	34%	32%
Not a concern	10%	10%

Americans were then asked if they will need to make sacrifices or cut back on their spending to offset the higher cost of gasoline:

June 2005

June 2004

Will cut back	50%	53%
Will not cut back	50%	47%

“The results of the Cambridge Consumer Index wildcard question indicate that even though gas prices have risen sharply in the past year, slightly fewer Americans are feeling pinched. 2% fewer Americans feel the higher gas prices are a major concern and 3% fewer will need to cut back their spending compared to June 2004. This is an indication that the economy has improved and consumer finances are generally in better shape now than a year ago,” says Jordan Goodman, spokesperson and financial analyst for the Cambridge Consumer Credit Index.

The overall Cambridge Consumer Credit Index fell by 6 points from May to 65. The Index fell on two questions: use of debt in the past month and plans for taking on debt in the next six months. The intent to take on debt in the next month rose slightly. The “Reality Gap,” which is the difference between the amount of debt consumers say they will pay off in the next month versus the amount of debt they actually paid off a month later, was 10 percentage points, down from a record 23 points in May. A month ago, 79% of Americans planned to pay off debt, while a month later only 69% actually did so.

According to Chris Viale, President and C.E.O. of Cambridge Credit Counseling Corp., “Gasoline is a necessary expense for most Americans who commute. Unfortunately, consumers have little choice other than to cope with volatile fuel prices when they occur. Cambridge Credit encourages consumers to watch their spending and adjust their budgets to accommodate for fluctuating expenses such as gasoline and home



heating.Â□

In conjunction with the Index, Cambridge Credit Counseling Corp. is releasing its monthly survey of people who have called in for credit counseling services over the past month. Cambridge representatives ask callers for the primary reason they found it necessary to get help with their debts. From the 273 people who answered, this was the order of their responses:

1. My income has been reduced from a lower salary, less overtime or layoff (33.0%)
2. I am frustrated with high bank rates and fees (26.4%)
3. I want to improve my ability to achieve future financial goals like buying a house or saving for retirement (14.6%)
4. Other (7.3%)
5. I got into too much debt by overspending (6.6%)
6. Large medical expenses forced me to take on huge debts (5.8%)
7. My lack of financial education caused me to take on too much debt (3.7%)
8. Recently divorced or widowed (2.6%)

For more information on the survey see

http://www.cambridgeconsumerindex.com/index.asp?content=client_survey

The Cambridge Consumer Credit Index is a forward looking economic indicator gauging consumer spending and debt. It is released on the fifth business day of every month to coincide with the Federal Reserve Board's G19 release of consumer credit outstanding data.

These findings are the result of monthly nationwide telephone polls of more than 800 adults, conducted by ICR/International Communications Research. Over 800 households are polled based on random-digit dialing, with all demographic and regional groups in America fairly represented. The Index has a margin of error of plus or minus three and one-half percentage points.

For more information about the Cambridge Consumer Credit Index, contact Paramjit Mahli at pmahli@cambridgeconsumerindex.com or 631-786-6450 or the Index website at

<http://www.cambridgeconsumerindex.com/>.

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