

# The Augusta Chronicle

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## Poll: Georgia consumers growing more confident

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DULUTH, Ga. - Georgia consumers are beginning to gain confidence about the economy but are keeping a tight hold in their own purse, according to a survey of credit union members released Tuesday.

Just over half, or 53 percent, of the nearly 6,000 account holders surveyed in recent weeks say they expect to be in better financial shape a year from now, while 17 percent predicted their situation won't improve. Another 31 percent didn't know.

Instead of going shopping, 53 percent said they were shoring up their savings. The credit unions themselves see that as regular savings accounts have grown 10 percent since January while money market accounts have swelled 27 percent in that period.

The 162 units in the Georgia Credit Union Affiliates released the survey and the account statistics. While savings have grown, credit-card balances have shrunk 2 percent. New-vehicle borrowing has fallen 9 percent and used-car lending rose instead by the same amount.

"We sure run into a lot of folks who are doing OK and building up some security but have neighbors or family members out of work," said Credit Union Affiliates President Mike Mercer. "There is still a lot of uncertainty."

Mercer University economist Roger Tutterow sees the same thing.

"Even if the economy is growing again, until we begin to see job creation it doesn't feel like a recovery," he said.

Manufacturers also have reason to be careful, slowly building inventory in case sales improve but holding off on expansion plans.

Retailers, who are placing their Christmas-season orders now, should be cautious, Mercer warns. Those Georgians surveyed aren't signaling any eagerness to begin opening their wallets wider any time soon.

One clue from the survey is that 50 percent of participants said they could make it just three months or less living on their savings alone. Another 26 percent said they had no cushion at all should they lose their jobs.

With such scant savings and concerns about job security, three out of four consumers are likely to remain focused more on their nest egg than on major purchases. But those in the survey who said they would make a large purchase this year -- most often for home improvements -- 56 percent said they would be using cash from savings rather than a loan or credit card.

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