Percentage of families expressing intentions to buy a car[1]

	All cars	New cars[2]	Used cars[2]
January to February 1961	13.8	6.3	7.5
May to June 1961	16.4	8.9	7.5
November 1961	18.3	9.5	8.8
January to February 1962	17.1	8.5	8.6
May 1962	17.4	9.7	7.7

[1] Families that reported they would or probably would buy, plus ½ of those who said they might buy during the next 12 months.
[2] Uncertain whether new or used apportioned equally between these categories.

Plans to buy used cars are the same as a year ago, but are somewhat lower than last fall and winter. Plans to buy a house for owner occupancy are less frequent than a year ago and less frequent than in most recent spring surveys. However, expressed buying intentions for the upper income group do not show a decline over the past year. Intentions to make major home improvements remain at peak levels. Plans to purchase home appliances are now slightly higher than a year ago for almost all major appliances, but in most cases comparisons with earlier years are not favorable.

Clearly there is an element of caution in consumer sentiment. Yet it should be emphasized again that people evaluate their own financial situation favorably and are satisfied with buying conditions. Hence, the sidewise movement of the index of consumer attitudes should not be viewed as a signal of an impending deterioration of consumer confidence. Unless the flow of unfavorable economic and political news increases, the state of consumer optimism in May points to a sustained high level of spending, particularly if personal incomes continue to rise gradually.

On the other hand, it is evident that the consumer is not in an exuberant frame of mind. There are no indications in the survey that people are disposed to upgrade their standard of living more rapidly in the period ahead than they did during the past few years. Thus, the impetus to faster economic growth, sought by government and business, is not likely to come from the consumer sector in the near future—unless new stimuli alter the prospects seen by consumers.

TABLE 1.—*Index of consumer attitudes and inclinations to buy*

[Fall 1956=100]

Date of study	Excluding buying intentions (6 questions)	Including buying intentions (8 questions)	Date of study	Excluding buying intentions (6 questions)	Including buying intentions (8 questions)
June 1955	104.2	102.2	May to June 1959	95.1	100.2
October 1955	102.6	102.7	October to November 1959	91.1	90.2
May 1956	99.3	99.1	January to February 1960	96.7	99.3
August 1956	99.8	97.6	May 1960	92.9	91.7
November to December 1956	100.3	102.4	October to November 1960	92.8	93.1
June 1957	94.4	95.1	January to February 1961	92.4	91.7
November to December 1957	86.0	86.7	May to June 1961	94.4	95.0
January to February 1958	82.2	83.0	November 1961	96.4	96.2
May to June 1958	86.5	86.6	January to February 1962	98.7	99.1
October 1958	92.7	91.5	May 1962	96.8	96.3