



JOINT ECONOMIC COMMITTEE
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SCHUMER ON FALLING HOME PRICES AND CONSUMER CONFIDENCE

Today new economic indicators show that the U.S. economy is continuing to falter and not only are home prices still sinking, but consumer confidence is following suit. The S&P/Case-Shiller index reported the biggest drop in home prices, 11.4 percent in January, since the index was created in 1987, and continuing 19 consecutive months of home price declines. Virtually no major metropolitan area was left unscathed according to the Case-Shiller analysis for January. The Conference Board's measure of consumer confidence fell much more than expected as well, going down double digits from February to March.

Senator Charles E. Schumer, Chairman of the Joint Economic Committee reacted with the following statement about today's weak economic news:

"Newfound weakness in consumer confidence is partially the result of 19 months of falling home prices in nearly every single corner of the United States. For the last year, the President and his Republican allies in Congress have chosen a hands-off, Hoover-like posture towards this housing crisis. It is long passed time for Washington to act. Democrats in the Senate will have a modest and targeted housing recovery bill on the floor next week and we hope the White House will work with us to pass it quickly.

"We hope President Bush stops whistling a happy tune about this economy while homeowners and consumers across the country are singing the blues."

Sen. Schumer will be holding a JEC hearing with Federal Reserve Chairman, Ben Bernanke, on April 2 - details can be found at www.jec.senate.gov.

The Joint Economic Committee, established under the Employment Act of 1946, was created by Congress to review economic conditions and to analyze the effectiveness of economic policy.

www.jec.senate.gov

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