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Rocky Mountain Poll

NEWS RELEASE [RMP 2005-II-02]

Contact: Earl de Berge
Research Director

ARIZONA CONSUMER CONFIDENCE TAKES SHARP DROP

Phoenix, Arizona, April 22, 2005. For the first time in three quarters, consumer confidence in Arizona has dropped below 100.0 and, at the current 97.4 level, is seven points lower than at the outset of the year. Between January and April the Consumer Confidence Index dropped eight points to 99.9 in the Phoenix area and declined just over three points in Tucson to 87.8.

The slump in confidence probably reflects the impact of widespread media stories on rising housing prices in Arizona, stock market declines and the ongoing chatter in the news about inflation in health care costs. And it undoubtedly reflects consumer shock at rapidly rising energy costs they face at the gas pump. For many, the cost of energy has shifted from nibbling to gobbling away at their discretionary income.

Consumer assessment of current economic conditions is only moderately softer than in January but, nonetheless, did decline from 105.0 to 103.8. This decline traces principally to growth in the number of consumers who believe the job market is worsening - a view now held by 26 percent compared to only 21 percent in January.

More ominous is the findings that consumer confidence in what is likely to happen over the next six months fell to its lowest point since January of 2003. More specifically, the expectations component of the Index is now at only 93.3, which is ten points off the 103.8 level registered at the beginning of the year. This decline is driven principally by growing negativism

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about the job market: only 30 percent expect the job market to improve, four points fewer than in January and the lowest such readings since January of 2003. Simultaneously, the proportion who expect the job market to worsen increases to 21 percent from 15 at the outset of the year. Women and lower income families are noticeably more skeptical about the job market.

The findings outlined in this report are based on a survey of 536 adult consumers in Maricopa and Pima Counties conducted between April 12th and April 17th, 2005, by the Behavior Research Center of Arizona as part of the Center's independent and non-partisan Rocky Mountain Poll series. The public is welcome to visit www.brcpolls.com to read this and other recent polls.

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EDITOR'S NOTE: This Rocky Mountain Poll Arizona (2005-II-02) is based on 682 telephone interviews with adults, conducted from January 5th through January 10th, 2005, throughout Arizona. In the overall sample, one may say with 95 percent certainty that the results have a statistical precision of plus or minus 3.8 percent of what they would have been had the entire adult population been surveyed. The Maricopa and Pima County segments include 570 interviews and have a margin of error of plus or minus 4.3 percent. The Rocky Mountain Poll is conducted by the Behavior Research Center of Arizona and is an independent and non-partisan research program.

This statement conforms to the principles of disclosure of the National Council on Public Polls.

ENCLOSED: Statistical data for reference.

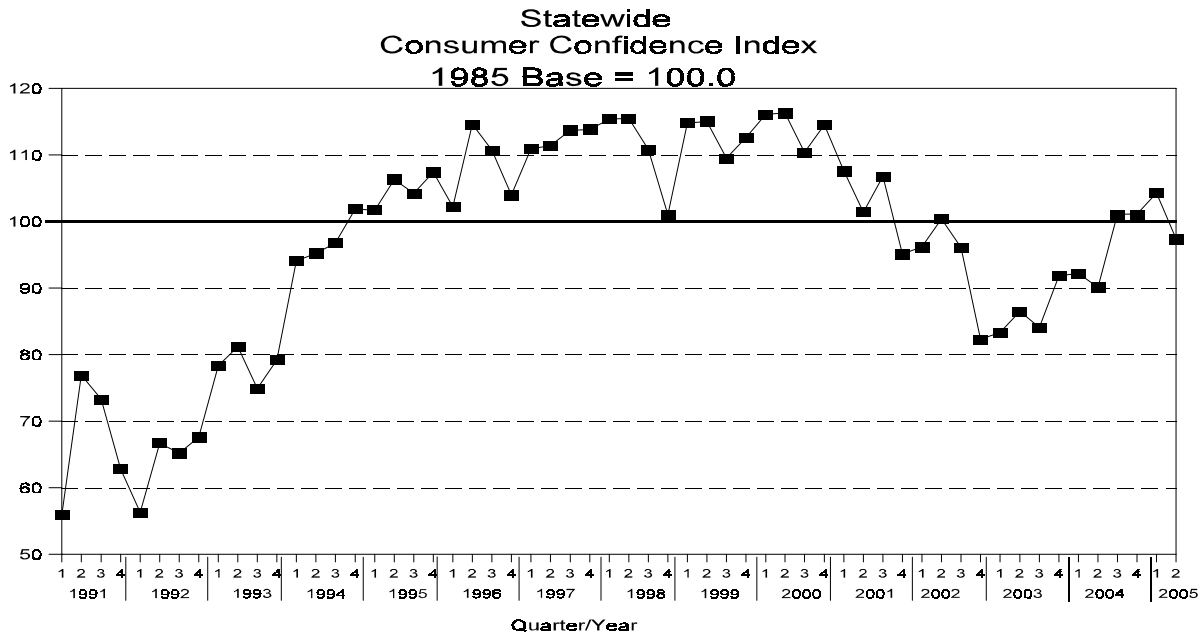
STATISTICAL DATA

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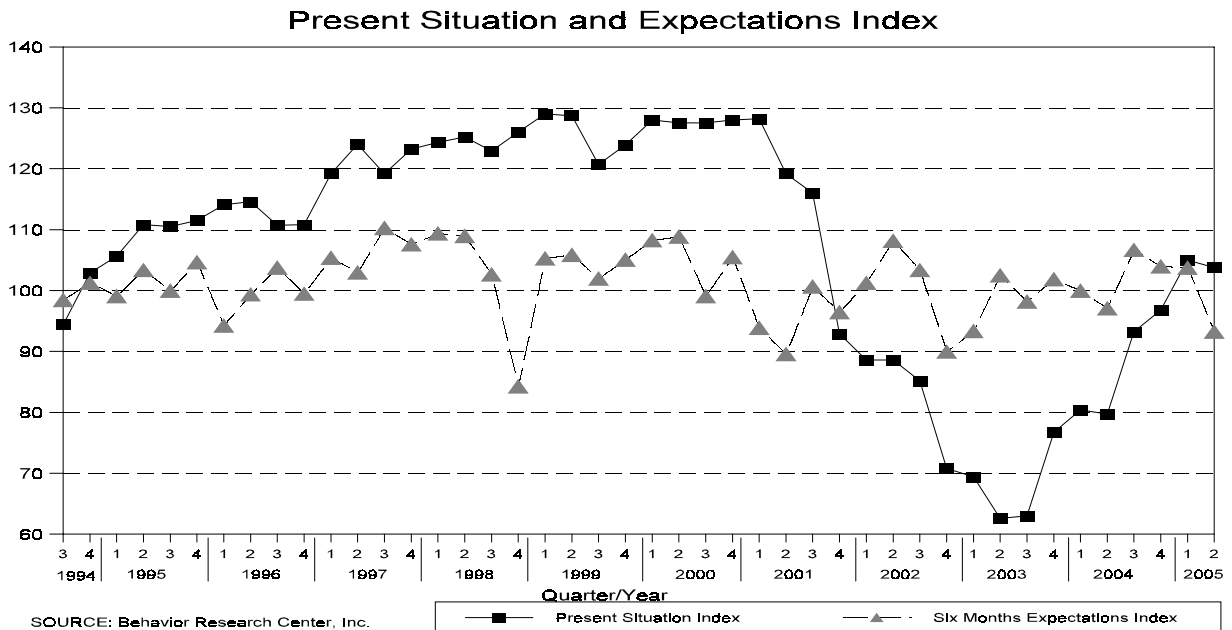
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SOURCE: Behavior Research Center, Inc.



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	2005		2004				2003				2002	
	Apr	Jan	Oct	July	Apr	Jan	Oct	July	Apr	Jan	Oct	July
<u>Consumer Confidence Index</u>												
Statewide	97.4	104.3	101.1	101.3	90.1	92.2	91.8	84.1	86.5	83.3	82.3	96.1
Phoenix	99.9	107.9	103.2	102.5	89.3	94.3	93.0	87.9	86.6	84.6	85.5	96.6
Tucson	87.8	91.0	93.5	96.4	91.7	84.4	88.5	72.0	83.1	82.3	76.2	92.7
<u>Index Detail (Statewide):</u>												
Present Situation Index	103.8	105.0	96.8	93.2	79.7	80.4	76.7	63.0	62.6	69.4	70.8	85.2
Expectation Index (Next 6 Months)	93.3	103.8	104.0	106.7	97.1	100.0	101.9	98.2	102.5	93.4	90.0	103.4

*Appraisal of Present Situation:
Percent Holding Attitude*

	2005		2004				2003				2002	
<u>Business Conditions:</u>												
Good	48%	49%	43%	44%	43%	39%	37%	32%	34%	32%	33%	37%
Normal	38	39	38	39	39	39	45	42	41	47	45	42
Bad	12	8	12	14	14	14	15	20	19	16	19	16
Not sure	2	4	7	3	4	8	3	6	6	5	3	5
<u>Employment:</u>												
Jobs plentiful	35%	32%	31%	31%	25%	24%	22%	15%	16%	18%	21%	27%
Not so many	26	28	28	32	26	29	32	35	30	35	36	32
Jobs hard to get	26	21	28	26	35	32	32	37	40	32	32	26
Not sure	13	19	13	11	14	15	14	13	14	15	11	15

*Expectations For Six Month Hence:
Percent Holding Attitude*

	2005		2004				2003				2002	
<u>Business Conditions:</u>												
Better	32%	36%	32%	38%	36%	40%	45%	39%	41%	36%	30%	38%
Same	51	49	49	46	46	42	39	46	42	45	46	46
Worse	13	10	9	9	11	11	9	10	9	13	16	8
Not sure	4	5	10	7	7	7	7	5	8	6	8	8
<u>Employment:</u>												
More jobs	30%	34%	31%	40%	31%	36%	37%	35%	37%	30%	32%	32%
Same	45	41	41	35	39	35	37	39	39	40	35	43
Fewer jobs	21	15	17	15	19	19	18	18	15	21	24	16
Not sure	4	10	11	10	11	10	8	8	9	9	9	9
<u>Family Income:</u>												
Higher	30%	27%	31%	35%	26%	26%	28%	26%	23%	26%	26%	30%
Same	63	63	62	60	66	66	64	65	67	65	67	64
Lower	6	6	5	4	5	5	6	7	6	6	5	4
Not sure	1	4	2	1	3	3	2	2	4	3	2	2

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|                             | Rating Of<br>Current General<br>Business Conditions             |                |                           | Rating Of<br>Current Job<br>Availability          |                |
|-----------------------------|-----------------------------------------------------------------|----------------|---------------------------|---------------------------------------------------|----------------|
|                             | Maricopa<br>County                                              | Pima<br>County |                           | Maricopa<br>County                                | Pima<br>County |
| Good                        | 55%                                                             | 36%            | Plenty                    | 39%                                               | 30%            |
| Normal                      | 33                                                              | 48             | Not so many               | 26                                                | 29             |
| Bad                         | 9                                                               | 14             | Hard to get               | 20                                                | 26             |
| Don't know                  | 3                                                               | 2              | Don't know                | 15                                                | 15             |
| ~~~~~                       |                                                                 |                |                           |                                                   |                |
|                             | Rating Of<br>General Business<br>Conditions<br>Six Months Hence |                |                           | Rating Of<br>Job Availability<br>Six Months Hence |                |
|                             | Maricopa<br>County                                              | Pima<br>County |                           | Maricopa<br>County                                | Pima<br>County |
| Better<br>About the<br>same | 33%                                                             | 25%            | More<br>About the<br>same | 32%                                               | 23%            |
| Worse                       | 50                                                              | 54             | Fewer                     | 44                                                | 53             |
| Don't know                  | 14                                                              | 16             | Don't know                | 20                                                | 19             |
|                             | 3                                                               | 5              |                           | 4                                                 | 5              |
| ~~~~~                       |                                                                 |                |                           |                                                   |                |
|                             | Rating Of<br>Family Income<br>Six Months Hence                  |                |                           |                                                   |                |
|                             | Maricopa<br>County                                              | Pima<br>County |                           |                                                   |                |
| Higher<br>About the<br>same | 35%                                                             | 22%            |                           |                                                   |                |
| Lower                       | 58                                                              | 71             |                           |                                                   |                |
| Don't know                  | 6                                                               | 5              |                           |                                                   |                |
|                             | 1                                                               | 2              |                           |                                                   |                |
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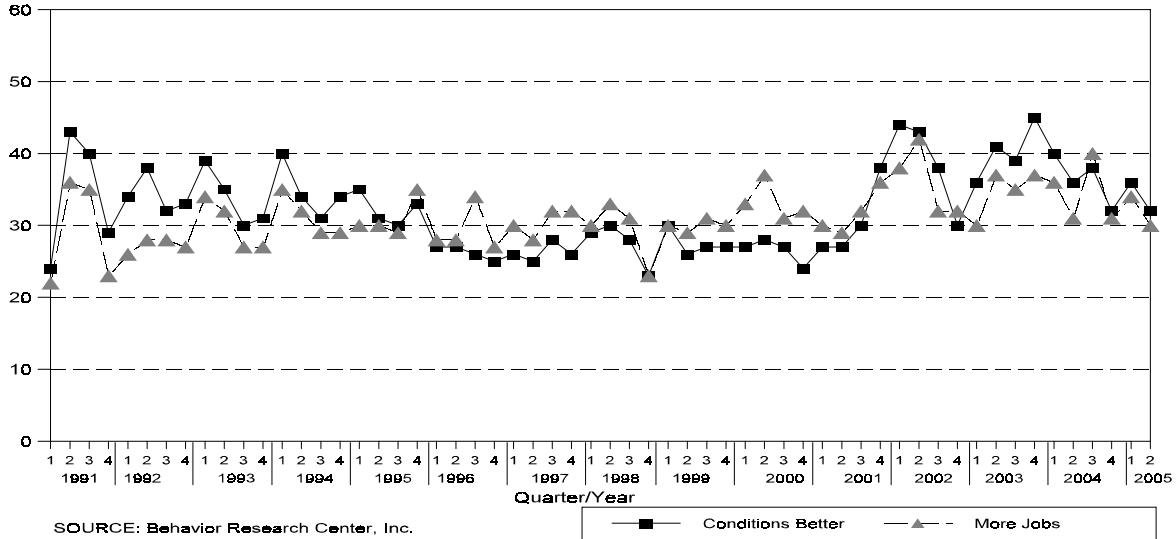
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% with Positive Attitudes on Future Business Conditions and Job Market



% with Positive Attitudes on Current Business Conditions and Job Market

