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Rocky Mountain Poll

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ARIZONA CONSUMER CONFIDENCE AT HISTORIC LOW 86 PERCENT PESSIMISTIC ABOUT JOBS

Phoenix, Arizona. February 4, 2009. Arizona consumer confidence in the economy has declined to the lowest level in more than a quarter century. The current Consumer Confidence Index reading is 44.2. The previous lowest reading was recorded in June of 1982 when the Index hit 54.7. When compared to January of 2008, the Consumer Confidence Index has collapsed in every region of the state, driven principally by loss of confidence in the current economy, business performance and the jobs market. Today's reading of 44.2 compares to 79.8 in January of 2008 and 106.3 in January of 2007.

In assessing the current economic climate (the Present Situation Index), the reading has fallen to the lowest such reading ever in Arizona of only 22.1. Only in October of 1982 did this component of the Index approach such a low level (24.2). The recent drop in the current situation index has been precipitous, declining from 111.5 in January of 2007, to 86.5 in January of 2008, to 69.7 in May of 2008 and now to a mere 22.1.

Looking ahead, Arizona consumers reveal deeper levels of pessimism than ever seen before. Thus, the Expectations Index, which traditionally is the most optimistic of the factors assessed in the compilation of the overall index, now rests at 58.9 compared to 75.3 in January of 2008 and 102.6 in January of 2007.

With the continued barrage of negative job market news that permeates all of the media and government reports these days, it may not be unrealistic to wonder if consumer confidence in the economy can do anything but continue to deteriorate in the months to come. And with such deterioration may come continued reluctance and capacity among consumers to reinvest in the economy with higher levels of spending on consumer goods and services.

Other signs of the depth to which consumer confidence has declined can be seen in their views of business conditions and the job market. Today, only 16 percent characterize business conditions as "good." This is half the level recorded in January of 2008 (34%) and only a third of the level registered in January of 2007 when 50 percent described business conditions as "good".

But the most devastating reading of the current economic climate is found in consumer views toward the job market: today, only six percent believe jobs are "plentiful", compared to 30 percent in January of 2008 and 42 percent in the prior January. A whopping 60 percent today believe jobs are hard

to find. This compares to only 24 percent a year ago January and only 18 percent in January of 2007. Another 26 percent classify the job market availability as offering “not so many” jobs.

Arizona consumers are tracking modestly ahead of the Consumer Confidence at the national level (37.7), but the reality is that both Indices reveal consumers to be in the depths of pessimism and unlikely to open their wallets very far until they are more confident that the economy has some chance of near term recovery. Recent news stories about some corporations bringing jobs back to the U.S. from abroad (known as in-shoring) may provide consumers with some reasons to regain some of their lost confidence.

On the other hand, the bickering in the Congress may only serve to reinforce their fears that politicians are still more interested in partisan gamesmanship than in getting on with concerted economic recovery plans. Similarly, the seeming paralysis in Wall Street and the banking industry to come up with leadership in financial and mortgage markets may only reinforce their beliefs that consumers will serve themselves best by taking a wait-and-see attitude toward spending.

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EDITOR’S NOTE: This Rocky Mountain Poll - Arizona (2009-I-01), is based on 800 interviews with adult heads of household across Arizona, conducted between January 23 and 28, 2009. Where necessary, figures for age, sex, race and political party were weighted to bring them into line with their actual proportion in the population. In a sample of this size, one can say with a 95 percent certainty that the results have a statistical precision of plus or minus 3.5 percent of what they would have been had the entire voter population been surveyed. The Rocky Mountain Poll is conducted by the Behavior Research Center of Arizona and is an independent and non-partisan research program sponsored by the Center. This statement conforms to the principles of disclosure of the National Council on Public Polls.

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ENCLOSED: Statistical data for reference.

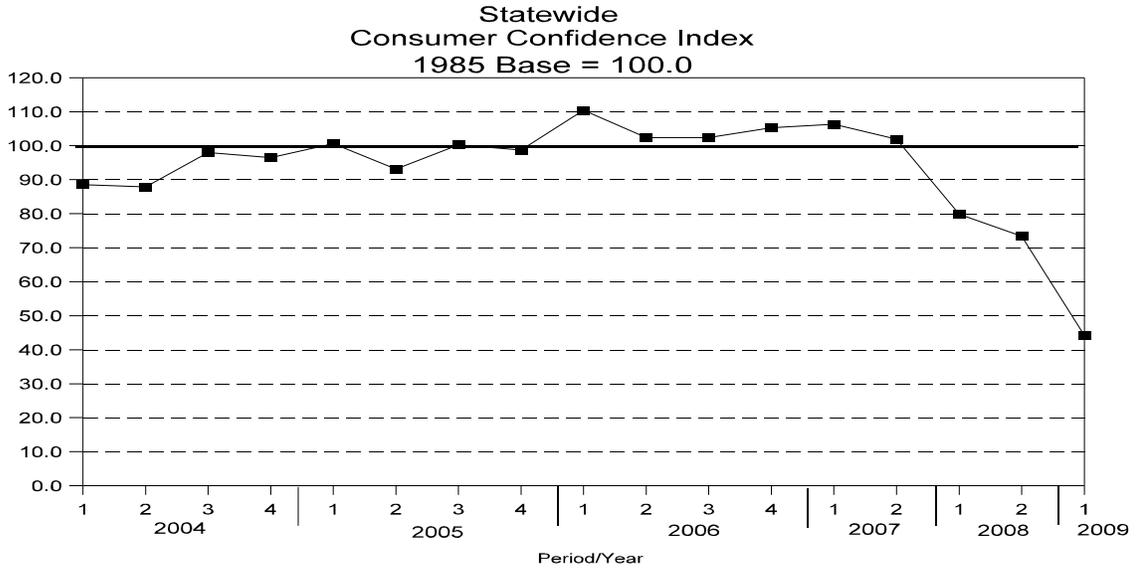
STATISTICAL DATA

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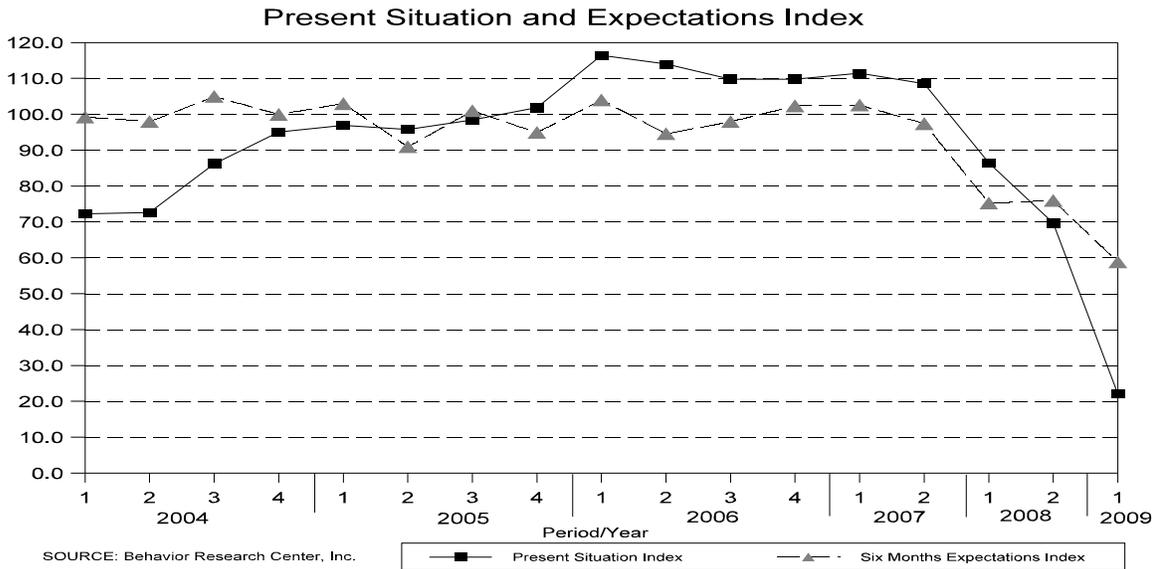
ARIZONA CONSUMER CONFIDENCE INDEX — January 2009

For this and other polls, see www.brcpolls.com/results.

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SOURCE: Behavior Research Center, Inc.



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	2009		2008		2007		2006			2005
	Jan	May	Jan	July	Jan	Sept	Jul	May	Jan	Oct
<u>Consumer Confidence Index</u>										
Statewide	44.2	73.4	79.8	101.9	106.3	105.3	102.7	102.4	110.4	98.1
Maricopa	44.1	82.6	88.7	106.6	111.5	109.2	109.3	108.0	117.8	101.5
Pima	48.7	61.1	65.0	96.2	102.7	104.0	101.0	92.0	102.5	94.2
Rural	39.9	58.2	68.8	91.2	91.5	96.4	86.5	94.1	94.8	91.3
<u>Index Detail (Statewide):</u>										
Present Situation Index	22.1	69.7	86.5	108.5	111.5	109.7	109.8	114.0	116.4	101.9
Expectation Index (Next 6 Months)	58.9	76.0	75.3	97.4	102.6	102.4	98.0	94.6	106.4	95.6

*Appraisal of Present Situation:
Percent Holding Attitude*

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<u>Business Conditions:</u>										
Good	16%	31%	34%	38%	50%	49%	50%	51%	52%	48%
Normal	31	41	45	46	38	38	37	35	40	37
Bad	47	25	17	11	7	9	9	9	4	10
Not sure	6	3	4	5	5	4	4	5	4	5
<u>Employment:</u>										
Jobs plentiful	6%	23%	30%	41%	42%	44%	46%	49%	46%	40%
Not so many	26	36	32	34	25	22	21	21	22	22
Jobs hard to get	60	30	24	14	18	19	20	16	17	25
Not sure	8	11	14	11	15	15	13	14	15	13

*Expectations For Six Month Hence:
Percent Holding Attitude*

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<u>Business Conditions:</u>										
Better	24%	28%	23%	25%	27%	33%	32%	29%	39%	34%
Same	37	44	45	59	59	52	48	49	48	49
Worse	29	24	24	11	7	9	13	14	8	12
Not sure	10	4	8	5	7	6	7	8	5	5
<u>Employment:</u>										
More jobs	21%	25%	25%	25%	28%	33%	32%	31%	39%	31%
Same	30	38	39	55	49	43	43	44	41	43
Fewer jobs	40	30	27	13	13	15	17	15	13	17
Not sure	9	7	9	7	10	9	8	10	7	9
<u>Family Income:</u>										
Higher	18%	24%	22%	25%	29%	27%	32%	26%	27%	28%
Same	67	66	68	67	61	65	61	66	65	63
Lower	14	8	7	4	5	5	5	6	6	7
Not sure	1	2	3	4	5	3	2	2	2	2

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Rating Of
Current General
Business Conditions

	Maricopa	Pima	Rural
Good	18%	11%	15%
Normal	30	31	35
Bad	48	47	45
Don't know	4	11	5

Rating Of
Current Job
Availability

	Maricopa	Pima	Rural
Plenty	6%	9%	2%
Not so many	32	11	24
Hard to get	57	66	63
Don't know	5	14	11

Rating Of
General Business
Conditions
Six Months Hence

	Maricopa	Pima	Rural
Better	25%	22%	22%
About the same	40	25	36
Worse	30	26	31
Don't know	5	27	11

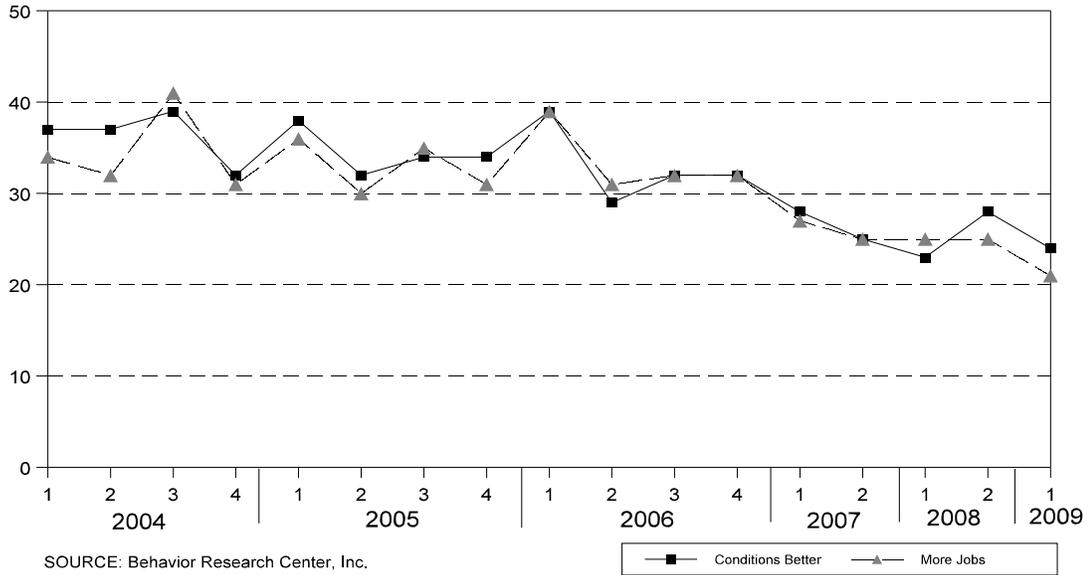
Rating Of
Job Availability
Six Months Hence

	Maricopa	Pima	Rural
More	22%	21%	15%
About the same	33	21	31
Fewer	39	34	47
Don't know	6	24	7

Rating Of
Family Income
Six Months Hence

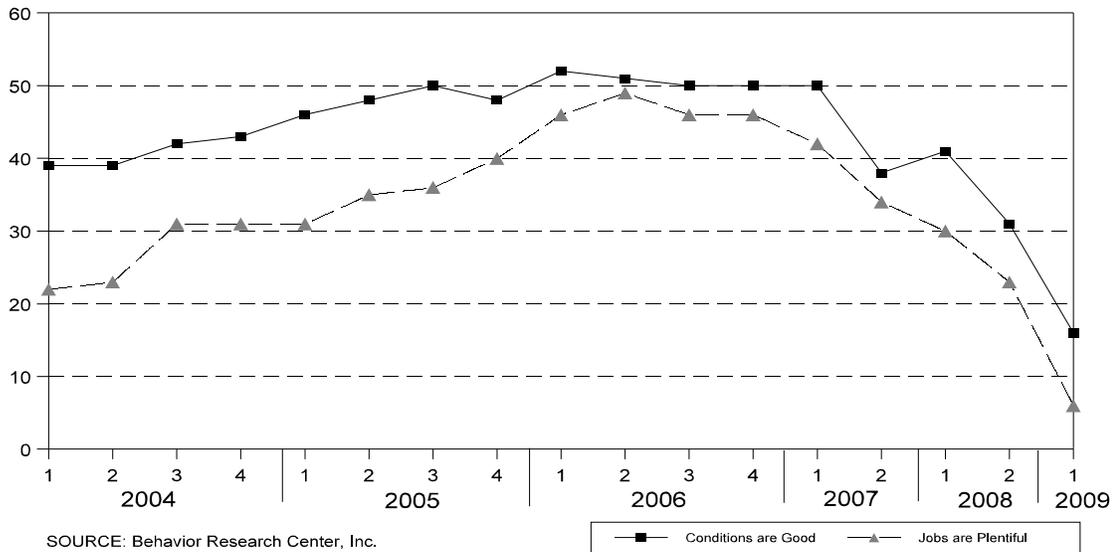
	Maricopa	Pima	Rural
Higher	13%	32%	19%
About the same	72	53	68
Lower	15	12	11
Don't know	*	3	2

% with Positive Attitudes on
Future Business Conditions and Job Market



Period/Year

% with Positive Attitudes on
Current Business Conditions and Job Market



Period/Year