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Rocky Mountain Poll

Rated in the Top 15% of Political Polls in the U.S.

NEWS RELEASE [RMP 2016-I-03]

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Consumer Confidence in the Economy Stable and Modestly Improved

Phoenix, Arizona, February 05, 2016. The confidence Arizonans have in the economy remained stable in January compared to October, albeit modestly improved. The reason for the Consumer Confidence Index (CCI) not moving up more robustly is that although optimism about current business and employment conditions remain positive if not improved, consumers have grown more pessimistic about what the employment market may look like in the coming six months. More specifically, while the proportion who assess current business conditions as "good" has risen to 39 percent, and the proportion describing jobs as "plentiful" has risen steadily over the past four quarters (and both now stand at their highest levels since 2013), the proportion who expect more jobs to be available in the coming six months has shrunk to 20 percent, the lowest level since 2009.

Overall, the consumer confidence index rose to 81.6 in January over October's reading of 81.2. The strongest growth in the CCI came in urban Maricopa County (to 90.8 from 88.5) and in urban Pima County (up to 77.0 from 72.3 in October). Only in Arizona's rural areas did the CCI shrink from 68.2 in October to today's reading of 61.0.

The pattern in which optimism about current economic conditions grows while pessimism about the next six months increases has been seen in the last several surveys. We are beginning to wonder if optimism about the future will begin to catch up during 2016 and if it does, whether overall Consumer confidence will accelerate with it. And there are some reasons to believe this could happen. Consumers are more optimistic about future business conditions, as 27 percent now expect they will improve and the proportion who believe business conditions will remain stable or will improve registers at 80 percent. Similarly, over 90 percent now expect that family income levels in Arizona will remain stable or improve in the coming six months. And finally, if conditions in the rural counties of the state produce more optimism by next quarter, the Index could rise significantly.

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Commenting on the January 2016 findings, Dr. Dennis Hoffman of the L. William Seidman Research Institute at the W.P. Carey School of Business noted the following: "*Consumer attitudes continue the slow but steady progression back to pre-great recession levels. While we are not there yet, the trend is clear and now Pima and Maricopa County are displaying signs of improvement. Shoppers will continue to be buoyed by cheap fuel prices which will bolster disposable incomes for the foreseeable future. Durable purchases including housing should see expansion this spring. Headwinds? Wall Street gyrations coupled with the chatter from the Presidential campaign may prove to be a distraction and only time will tell if it leaves a significant imprint on overall consumer confidence.*" (Dr. Hoffman may be contacted at 480-965-5362.)

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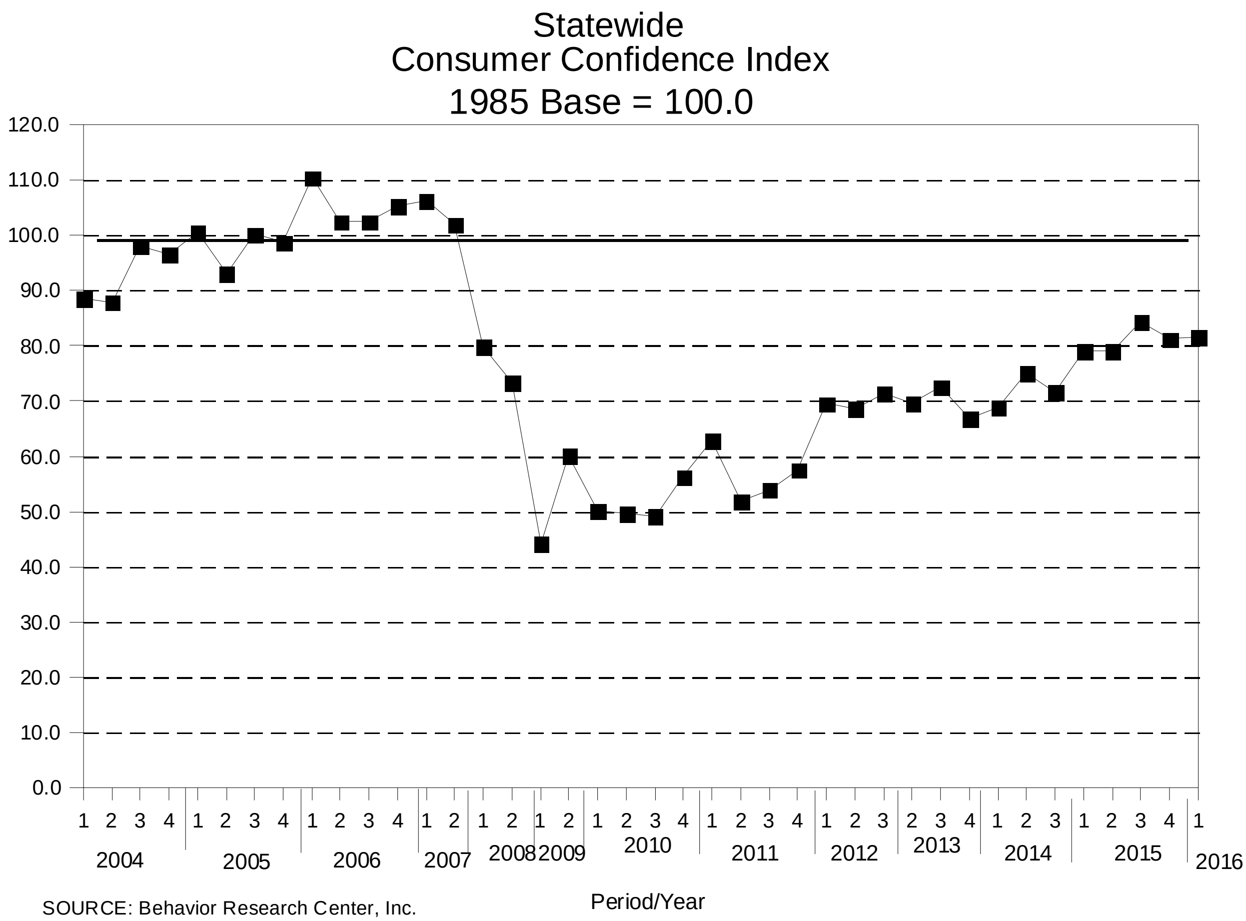
EDITOR'S NOTE: This Rocky Mountain Poll - Arizona (2016-I-03), is based on 700 interviews with adult heads of household statewide, conducted between January 6 and 17, 2016. Interviewing was conducted in English or Spanish by professional interviewers of the Behavior Research Center on both land lines and cell phones. Where necessary, figures for age, sex, and race 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 3.8 percent of what they would have been had the entire adult 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.

Further Note on Behavior Research Center

In 2014, Nate Silver of the website fivethirtyeight.com rated BRC as one of the top 15 percent of political polling firms in the nation for methodology and accuracy, giving BRC an "A-" rating. Mr. Silver and his website have correctly predicted national and state election outcomes in recent election cycles by aggregating polling results from multiple research firms.

ENCLOSED: Statistical Tables


Statewide
Consumer Confidence Index
1985 Base = 100.0
120.0
110.0
100.0
90.0
80.0
70.0
60.0
50.0
40.0
30.0
20.0
10.0
0.0
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
Period/Year
SOURCE: Behavior Research Center, Inc.

STATISTICAL DATA

Behavior Research Center
Rocky Mountain Poll - Arizona

For this and other polls, see www.brcpolls.com/results. RMP 2016-I-03

	2016	2015				2014			2013		
	Jan	Oct	Jul	Apr	Jan	Jul	Apr	Jan	Oct	Jul	Apr
Consumer Confidence Index											
Statewide	81.6	81.2	84.3	79.1	79.1	71.6	75.1	68.9	66.9	72.5	69.6
Maricopa	90.8	88.5	93.9	86.3	83.8	78.1	86.1	72.7	69.6	80.5	72.5
Pima	77.0	72.3	65.1	69.9	78.8	70.0	72.7	58.0	62.9	73.7	65.7
Rural	61.0	68.2	70.1	67.9	65.5	54.4	49.7	65.5	60.0	54.9	47.6
Index Detail (Statewide):											
Present Situation Index	79.1	74.3	69.7	68.0	67.1	53.9	56.5	50.3	51.3	50.0	52.0
Expectation Index (Next 6 Months)	83.2	85.8	94.1	86.5	87.1	83.5	87.6	80.9	77.2	87.5	81.3

Appraisal of Present Situation:
Percent Holding Attitude

	Jan	Oct	Jul	Apr	Jan	Jul	Apr	Jan	Oct	Jul	Apr
Business Conditions:											
Good	39%	34%	33%	32%	34%	30%	33%	29%	28%	33	29%
Normal	43	47	45	48	45	43	45	46	44	39	43
Bad	12	15	16	17	16	21	19	21	22	23	24
Not sure	6	4	6	3	5	6	3	4	6	5	4
Employment:											
Jobs plentiful	24%	23%	20%	19%	19%	13%	14%	12%	13%	10	13%
Not so many	23	26	32	34	24	30	32	25	30	34	35
Jobs hard to get	36	36	37	37	41	46	45	51	47	47	43
Not sure	17	15	11	10	16	11	9	12	10	9	9

Expectations For Six Months Hence:
Percent Holding Attitude

	Jan	Oct	Jul	Apr	Jan	Jul	Apr	Jan	Oct	Jul	Apr
Business Conditions:											
Better	27%	21%	27%	25%	31%	20%	26%	29%	26%	29%	29%
Same	53	61	57	54	49	58	54	46	46	52	45
Worse	12	12	7	14	13	15	13	19	19	13	19
Not sure	8	6	9	7	7	7	7	6	9	6	7
Employment:											
More jobs	20%	26%	22%	26%	30%	28%	28%	23%	24%	28%	27%
Same	45	45	51	43	38	36	44	47	43	41	40
Lower	23	19	15	20	22	24	20	21	23	22	25
Not sure	12	10	12	11	10	12	8	9	10	9	8
Family Income:											
Higher	22%	22%	26%	19%	22%	26%	26%	25%	25%	22%	22%
Same	69	69	65	73	66	65	63	64	60	67	67
Lower	6	7	7	6	9	7	9	10	12	8	8
Not sure	3	2	2	2	3	2	2	1	3	3	3

Rating Of *Current* General Business Conditions

	Maricopa	Pima	Rural
Good	45%	42%	23%
Normal	44	36	45
Bad	7	21	19
Don't know	4	1	13
	100%	100%	100%

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Rating Of *Current* Job Availability

	Maricopa	Pima	Rural
Plenty	31%	16%	13%
Not so many	21	25	26
Had to get	26	44	56
Don't know	22	15	5
	100%	100%	100%

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Rating Of General Business Conditions *Six Months Hence*

	Maricopa	Pima	Rural
Better	27%	27%	24%
About the same	53	57	51
Worse	11	14	15
Don't know	9	2	10
	100%	100%	100%

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Rating Of Job Availability *Six Months Hence*

	Maricopa	Pima	Rural
More	19%	26%	18%
About the same	43	49	49
Fewer	24	16	24
Don't know	14	9	9
	100%	100%	100%

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Rating Of Family Income *Six Months Hence*

	Maricopa	Pima	Rural
Higher	27%	22%	10%
About the same	65	68	79
Lower	5	9	8
Don't know	3	1	3
	100%	100%	100%

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STATISTICAL DATA

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