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Rocky Mountain Poll

NEWS RELEASE [RMP 2012-I-02]

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CONSUMER CONFIDENCE IN ARIZONA RISES FOR THIRD STRAIGHT QUARTER & IS AT HIGHEST LEVEL SINCE MAY 2008

Phoenix, Arizona, January 17, 2012. Consumer confidence in the Arizona economy is showing a spirited rise in January, driven principally by consumer belief that 2012 will be a year of business and job growth, a belief that off-sets lingering views that the current economic environment is no better than during 2011 and 2010. The Consumer Confidence Index (CCI) in Arizona is currently five points higher than the national Conference Board CCI reading and is the best since May of 2008. The national Index is also moving up, but at a slower pace than in Arizona. This is the second quarter in a row where the Arizona CCI has out paced the National CCI and may portend more vigorous participation here in the all important consumer spending.

Impressively, consumer confidence has now risen steadily for the third consecutive quarter, a sign that may mean consumers are less inclined to be unsettled by short term economic news put forth in the media or by rhetoric of politicians in an election season where candidates have a stake in trying to influence public opinion on the economy in a direction that benefits their campaigns.

As consumers look forward, there is broad-based belief that business conditions will improve, as will the job market. This is reflected in the Expectations Index which is currently at 94.5, which is the best reading since the 97.4 reading back in July of 2007.

The survey was completed between January 5th and January 9th of 2012. Statewide the Consumer Confidence Index currently registers 69.5 compared to 57.5 in October, 54.0 in July and 51.9 in April . It is also well above the 62.8 figure registered one year ago January. Particularly impressive is the surge in confidence about the future in Pima county where after languishing for three quarters, the Index has surged upward to 70.8 from 48.7 in October. Confidence in Arizona rural counties also rose impressively to 58.1, the highest optimism level since October of 2010. The CCI also rose ten points in Maricopa country to 73.5.

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Although consumer assessment of the current economic environment has edged downward by eight tenths of a percent, the Present Situation Index reading is the second highest since May of 2008 when it stood at 69.7. A majority of consumers remain of the opinion that jobs are currently hard to find but belief that current business conditions are "bad" has softened to 33 percent, it's lowest level since May of 2008. By way of historical comparison, belief that business conditions "are bad" rarely rose to even 19 percent in the period from October of 1999 to January of 2008 and was often below ten percent.

Throughout 2010 and 2011, fewer than 30 percent of Arizona consumers opined that business conditions would improve in the coming six months, but today, that figure has risen to 36 percent. Simultaneously, the proportion who foresee a worsening of business conditions fell to 11 percent in January from 20 percent in October and January. We are also registering a significant decline in the proportion of consumers who expect the job market to worsen in the coming six months, now only 16 percent compared to 29 percent in October and 31 percent in July.

Commenting on the recent findings, Dr. Dennis Hoffman of the L.William Seidman Research Institute at the W.P. Carey School business at Arizona State University noted that: "The Arizona consumer has been remarkably resilient over the past year. Despite threats of a Euro implosion, the debt crisis, and the negative banter that always accompanies political campaigns, the actions and outlooks of Arizona consumers continue to improve. Erosion of housing wealth no doubt weighed on the consumer for several years but as housing has seemingly stopped declining, consumer attitudes have warmed. The latest BRC survey suggests that Arizona shoppers enjoyed a healthy holiday season and bodes well for the moderate but steady expansion in retail spending to continue into the spring of 2012." Dr Hoffman may be contacted at 480-965-5362. Earl de Berge, Research Director at Behavior Research Center, added: "This continuing march toward higher levels of consumer confidence over three quarters is very encouraging even though the Indices still remain below 100. If consumer expectations about the future continue to be strong and there is any improvement at all in their assessment of current economic conditions when we next look in April, we may see the Index get even closer to the long sought after 100 mark."

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EDITOR'S NOTE: **This Rocky Mountain Poll - Arizona (2012-I-02), is based on 700 interviews with adult heads of household statewide, conducted between January 5 and 9, 2012. 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, 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 3.8 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
ENCLOSED: Statistical tables

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ARIZONA CONSUMER CONFIDENCE INDEX January 2012

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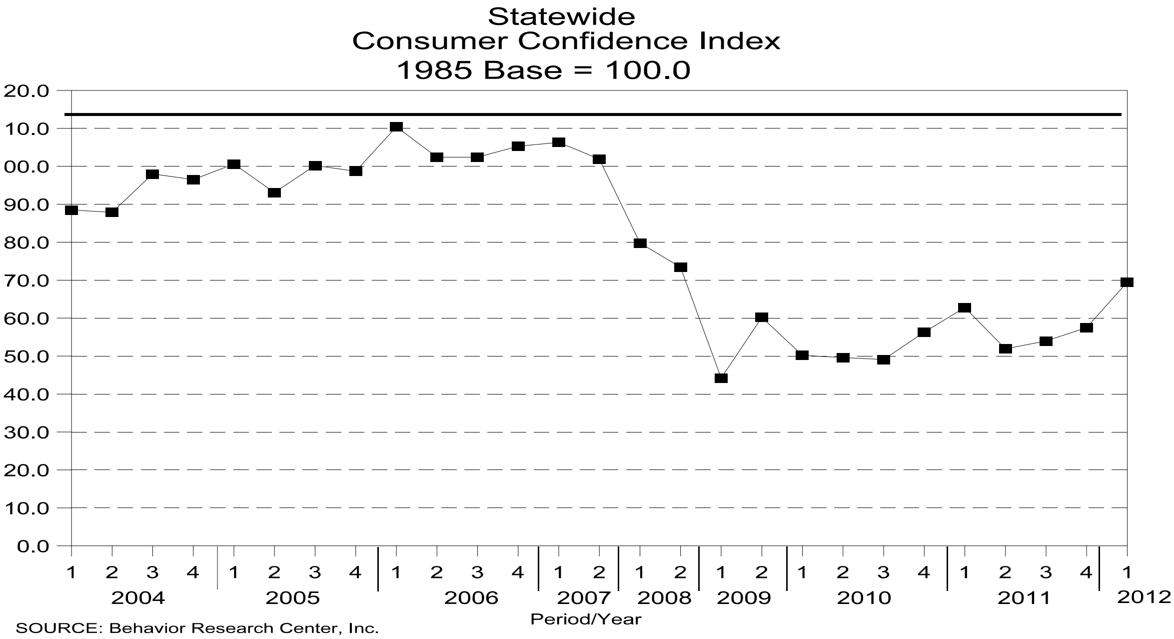

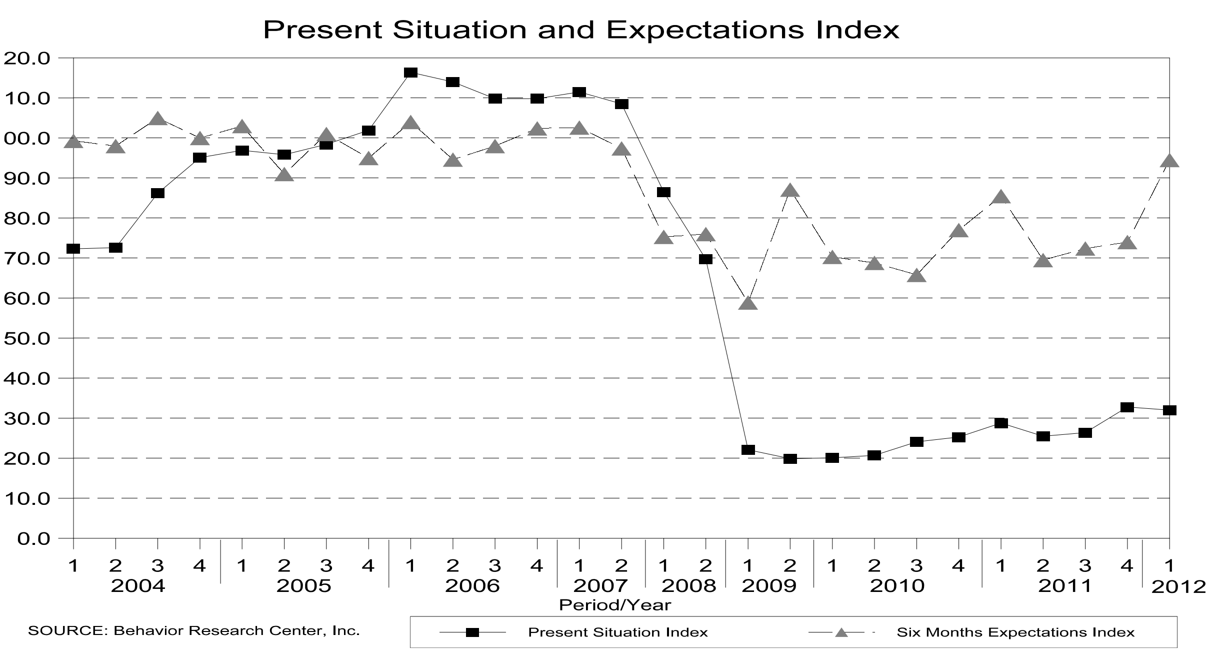

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ARIZONA CONSUMER CONFIDENCE INDEX January 2012

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	2012	2011				2010				2009
	Jan	Oct	Jul	Apr	Jan	Oct	Jul	Apr	Jan	Sept
Consumer Confidence Index										
Statewide	69.5	57.5	54.0	51.9	62.8	56.3	49.1	49.6	50.2	60.2
Maricopa	73.5	63.5	60.9	56.4	63.5	55.7	52.8	56.0	52.2	58.0
Pima	70.8	48.7	40.3	50.3	74.0	54.1	41.6	42.6	48.6	66.9
Rural	58.1	45.9	44.7	41.8	54.6	59.1	43.5	38.3	46.7	60.7
Index Detail (Statewide):										
Present Situation Index	32.0	32.8	26.4	25.5	28.8	25.3	24.1	20.7	20.0	19.9
Expectation Index (Next 6 Months)	94.5	74.0	72.4	69.5	85.5	77.0	65.8	68.8	70.3	87.1
	Appraisal of Present Situation: Percent Holding Attitude									
Business Conditions:										
Good	22%	21%	21%	24%	22%	21%	19%	17%	20%	14%
Normal	42	39	32	37	35	31	34	38	30	35
Bad	33	37	43	35	38	43	43	41	46	48
Not sure	3	3	4	4	5	5	4	4	4	3
Employment:										
Jobs plentiful	6%	9%	6%	2%	5%	5%	5%	3%	2%	5%
Not so many	33	28	25	31	31	26	26	30	24	32
Jobs hard to get	56	56	63	59	55	62	63	60	68	57
Not sure	5	7	6	8	9	7	6	7	6	6
	Expectations For Six Month Hence: Percent Holding Attitude									
Business Conditions:										
Better	36%	28%	25%	29%	32%	27%	25%	29%	28%	44%
Same	48	47	47	49	48	44	48	43	48	34
Worse	11	20	20	18	16	17	22	21	20	17
Not sure	5	5	8	4	4	12	5	7	4	5
Employment:										
More jobs	27%	24%	23%	25%	29%	25%	22%	25%	23%	33%
Same	51	40	39	39	47	42	43	38	41	38
Fewer jobs	16	29	31	29	18	22	29	30	28	24
Not sure	6	7	7	7	6	11	6	7	8	5
Family Income:										
Higher	23%	22%	21%	12%	19%	16%	15%	17%	20%	24%
Same	68	63	67	73	67	69	70	65	65	62
Lower	8	11	10	13	11	11	13	15	14	12
Not sure	1	4	2	2	3	4	2	3	1	2

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Rating Of *Current* General Business Conditions

	Maricopa	Pima	Rural
Good	20%	23%	27%
Normal	43	36	42
Bad	35	32	30
Don't know	2	9	1
	100%	100%	100%

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Rating Of General Business Conditions *Six Months Hence*

	Maricopa	Pima	Rural
Better	41%	33%	25%
About the same	46	46	56
Worse	9	11	16
Don't know	4	10	3
	100%	100%	100%

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Rating Of Family Income *Six Months Hence*

	Maricopa	Pima	Rural
Higher	28%	18%	12%
About the same	61	75	79
Lower	9	5	8
Don't know	2	2	1
	100%	100%	100%

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Rating Of *Current* Job Availability

	Maricopa	Pima	Rural
Plenty	7%	4%	6%
Not so many	39	39	15
Hard to get	49	51	75
Don't know	5	6	4
	100%	100%	100%

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Rating Of Job Availability *Six Months Hence*

	Maricopa	Pima	Rural
More	31%	25%	19%
About the same	50	50	55
Fewer	14	11	22
Don't know	5	14	4
	100%	100%	100%

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