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Rocky Mountain Poll

NEWS RELEASE [RMP 2014-II-02]

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ARIZONA CONSUMER CONFIDENCE RISES TO HIGHEST LEVEL IN SIX YEARS

Phoenix, Arizona, May 13, 2014. Impelled by strengthening consumer optimism about both current economic conditions in Arizona and their expectations for continued improvement in the coming six months, the Arizona Consumer Confidence Index rose to its highest level since January of 2008. It now stands at 75.1 compared to 68.9 in January and 66.9 in October of 2013.

Optimism is particularly strong in Arizona's major urban counties which include Phoenix (Maricopa County) and Tucson (Pima County). In Maricopa County, the Index rose by 13.4 points and is now the highest in the state at 86.1.

In Pima County the index rose to 72.7 from 58.0 in January, an impressive 14.7 point jump and the highest level since July of 2013.

In Arizona's rural counties, however, optimism did not keep pace. Indeed, the Consumer Confidence Index in rural Arizona declined from its January level of 65.5 to today's level of only 49.7. The pessimism in the rural areas traces largely to consumer belief that the job market is not good and that it may not improve greatly in the coming six months.

Statewide, however, improved consumer optimism is being driven by several core factors. The first is a lowering in the proportion of consumers who believe that "jobs are hard to find." The percentage holding this view dropped to 45 percent from 51 percent in January, while belief that the "jobs are plentiful" rose modestly to 14 from 12 percent. This shift may not seem great, but it should be recalled that the proportion describing jobs as plentiful was as low as 6 percent in 2012 and only two percent in 2011. We see modest improvement in consumer assessment of the job market for the coming six months. Today, 28 percent expect to see improvement in job availability, up from 23 percent in January.

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A second factor in the more optimistic reading today is consumer belief that business conditions are improving, now 33 percent compared to 29 percent in January and 28 percent last October. Looking forward, 26 percent expect business conditions to continue improving, but more importantly, the proportion forecast a worsening in business conditions has declined from 19 to only 13 percent.

What may be holding the Index back from an even stronger jump to the favorable side is that there has been little improvement in consumer belief that their family income will improve in the months to come. The figures on this aspect of the Index have remained basically unchanged since the summer of 2011. This pessimistic view may, in turn, trace to increasing news reports and analysis that the U.S. economy will never return to its robust character before the so-called great recession.

Commenting on the recent report, Dr. Dennis Hoffman of the L. William Seidman Research Institute at the W. P. Carey School of Business at ASU commented that: "I noted in January that the economy has the potential for a rebound over the next several years, but progress will be impeded if consumer confidence remains dampened. It is encouraging to see that confidence is in fact showing signs of resurgence. This report clearly depicts a more optimistic Arizona consumer. As more confidence in the jobs picture builds, consumers will increase their appetites for durables and homes. Consumption declines helped lead the downward spiral and this sentiment suggests that a resurgence in consumption will help lead the upturn. The good news in this report can then become good news for all Arizonans."

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For this and other polls, see www.brcpolls.com/results. RMP **(2014-II-02)**

EDITOR'S NOTE: **This Rocky Mountain Poll - Arizona (2014-II-02), is based on 710 interviews with adult heads of household statewide, conducted between April 16 and 27, 2014. 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.
ENCLOSED: Statistical tables.

STATISTICAL DATA

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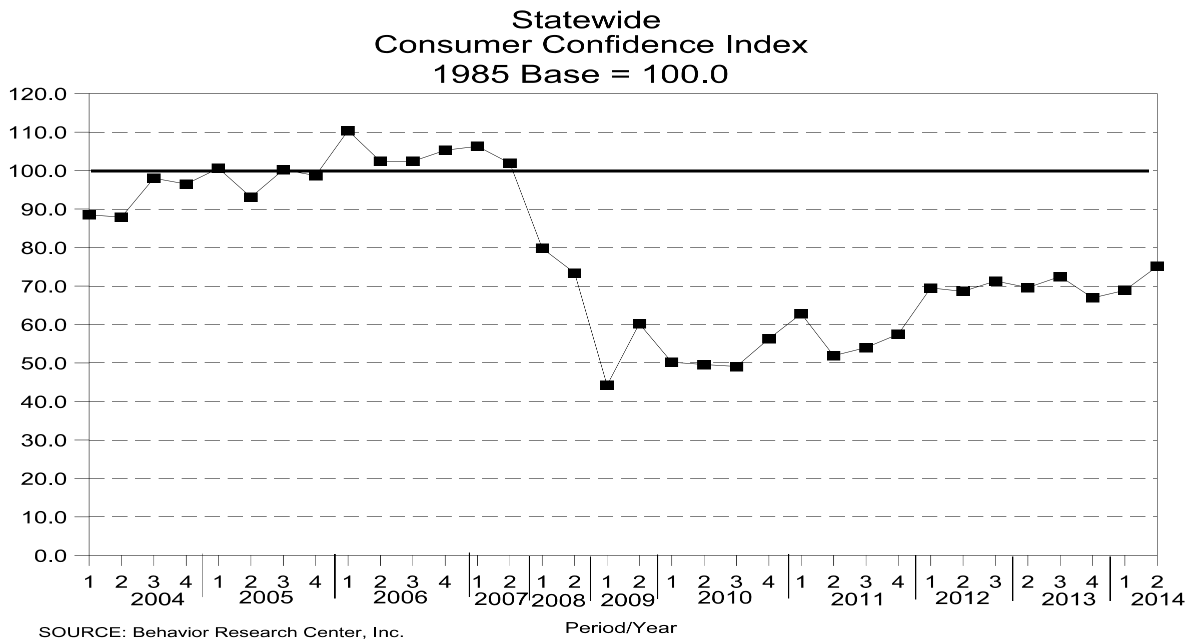

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	2014		2013			2012			2011		
	Apr	Jan	Oct	Jul	Apr	Oct	Apr	Jan	Oct	Jul	Apr
Consumer Confidence Index											
Statewide	75.1	68.9	66.9	72.5	69.6	71.3	68.6	69.5	57.5	54.0	51.9
Maricopa	86.1	72.7	69.6	80.5	72.5	78.5	75.0	73.5	63.5	60.9	56.4
Pima	72.7	58.0	62.9	73.7	65.7	58.0	66.7	70.8	48.7	40.3	50.3
Rural	49.7	65.5	60.0	54.9	47.6	63.0	55.3	58.1	45.9	44.7	41.8
Index Detail (Statewide):											
Present Situation Index	56.5	50.3	51.3	50.0	52.0	40.6	39.0	32.0	32.8	26.4	25.5
Expectation Index (Next 6 Months)	87.6	80.9	77.2	87.5	81.3	91.8	88.4	94.5	74.0	72.4	69.5
Appraisal of Present Situation: Percent Holding Attitude											
Business Conditions:											
Good	33%	29%	28%	33%	29%	20%	26%	22%	21%	21%	24%
Normal	45	46	44	39	43	44	40	42	39	32	37
Bad	19	21	22	23	24	31	29	33	37	43	35
Not sure	3	4	6	5	4	5	5	3	3	4	4
Employment:											
Jobs plentiful	14%	12%	13%	10%	13%	12%	8%	6%	9%	6%	2%
Not so many	32	25	30	34	35	30	33	33	28	25	31
Jobs hard to get	45	51	47	47	43	48	53	56	56	63	59
Not sure	9	12	10	9	9	10	6	5	7	6	8
Expectations For Six Month Hence: Percent Holding Attitude											
Business Conditions:											
Better	26%	29%	26%	29%	29%	28%	32%	36%	28%	25%	29%
Same	54	46	46	52	45	42	47	48	47	47	49
Worse	13	19	19	13	19	12	14	11	20	20	18
Not sure	7	6	9	6	7	18	7	5	5	8	4
Employment:											
More jobs	28%	23%	24%	28%	27%	29%	30%	27%	24%	23%	25%
Same	44	47	43	41	40	37	42	51	40	39	39
Fewer jobs	20	21	23	22	25	15	19	16	29	31	29
Not sure	8	9	10	9	8	19	9	6	7	7	7
Family Income:											
Higher	26%	25%	25%	22%	22%	22%	19%	23%	22%	21%	12%
Same	63	64	60	67	67	65	69	68	63	67	73
Lower	9	10	12	8	8	9	9	8	11	10	13
Not sure	2	1	3	3	3	4	3	1	4	2	2

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Rating Of *Current* General Business Conditions

	Maricopa	Pima	Rural
Good	39%	27%	20%
Normal	47	48	40
Bad	12	23	34
Don't know	2	2	6
	100%	100%	100%

Rating Of *Current* Job Availability

	Maricopa	Pima	Rural
Plenty	19%	10	3%
Not so many	35	33	26
Hard to get	35	51	64
Don't know	11	6	7
	100%	100%	100%

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Rating Of General Business Conditions *Six Months Hence*

	Maricopa	Pima	Rural
Better	25%	32%	24%
About the same	57	50	48
Worse	11	12	18
Don't know	7	6	10
	100%	100%	100%

Rating Of Job Availability *Six Months Hence*

	Maricopa	Pima	Rural
More	31%	26%	21%
About the same	44	42	47
Fewer	17	20	26
Don't know	8	12	6
	100%	100%	100%

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Rating Of Family Income *Six Months Hence*

	Maricopa	Pima	Rural
Higher	26%	30%	23%
About the same	64	61	61
Lower	7	7	15
Don't know	3	2	1
	100%	100%	100%

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