behavior research center's

Rocky Mountain Poll

NEWS RELEASE [RMP 2014-III-06]

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ARIZONA CONSUMER CONFIDENCE EDGED BACK IN JULY; CONCERN ABOUT BUSINESS CONDITIONS THE MAIN FACTOR

Phoenix, Arizona, August 5, 2014. After rising to its highest level in six years in April, the Arizona Consumer Confidence Index has subsided modestly from 75.1 to 71.6. While the decline is not yet great, it is not insignificant because consumer willingness to make purchases is sensitive to their views about the economy. Further, the decline is driven by lessening consumer confidence in both the current economic climate in Arizona and what is expected between now and year end, which can imply a softening in consumer buying for the coming six months, including the important holiday season period. Retailers planning their inventories for the year-end season may want to exercise caution. Hopefully, attitudes will brighten next quarter before year end.

Confidence declined in both of Arizona's major population counties (Maricopa and Pima), but the rural counties bucked the trend rising to 54.4 from 49.7.

Across the state, the principal factor pushing the Index down is declining confidence that business conditions have improved or will improve. Belief that current business conditions are good declined to 30 percent from 33 percent and looking ahead six months, the proportion who believe business conditions will improve declined to 20 percent from 26 percent. Attitudes about current job availability and family income have not changed a lot, while a modest increase in pessimism is registered about the future jobs market. All of this may trace to consumer disappointment that the optimism they felt in the spring has been dampened by a slower economic recover than hoped for. This shift is particularly evident in Pima county where only 20 percent now expect business conditions to improve in the coming six months. In April of this year, 32 percent held this opinion.

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"It is sometimes difficult to understand why we are witnessing such a see-saw pattern in consumer confidence," observed Earl de Berge, Editor of the Rocky Mountain Poll, "but as this survey was taken during the ramping up of the election season and the concomitant if not endless political rhetoric about the negative impact on the economy of the immigrant crisis and the increased war activities in the Middle East, we wonder if consumers may simply be growing both confused and depressed about what the future holds."

Commenting on the recent data, Dr. Dennis Hoffman of the L. William Seidman Research Institute at the W. P. Carey School of Business at ASU noted the following: "*The latest Rocky Mountain consumer confidence report mirrors recent Arizona job growth, slow and sluggish. If it continues, prospects for spending going into the fall are eroding, which will further dampen business confidence. The numbers stand in contrast to the latest national report with shows confidence improving. National job growth has outstripped job creation in Arizona recently and that helps explain the contrast. One can expect Arizona confidence numbers to improve when the State's economy starts creating jobs at a faster pace. Unfortunately, confidence is a piece of the job puzzle so as slow job growth erodes confidence, job creation is inhibited.*"

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For this and other polls, see www.brcpolls.com/results. RMP (2014-III-06)

EDITOR'S NOTE: **This Rocky Mountain Poll - Arizona (2014-III-06), is based on 703 interviews with adult heads of household statewide, conducted between July 10 and 17, 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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Rocky Mountain Poll - Arizona

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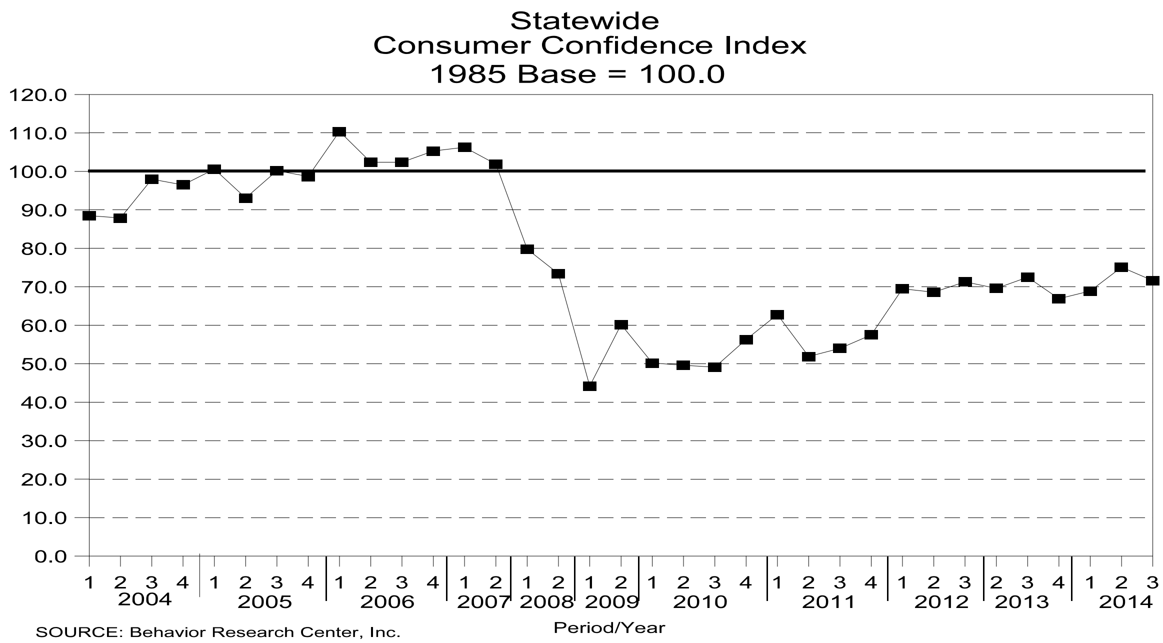

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	2014			2013			2012			2011	
	Jul	Apr	Jan	Oct	Jul	Apr	Oct	Apr	Jan	Oct	Jul
Consumer Confidence Index											
Statewide	71.6	75.1	68.9	66.9	72.5	69.6	71.3	68.6	69.5	57.5	54.0
Maricopa	78.1	86.1	72.7	69.6	80.5	72.5	78.5	75.0	73.5	63.5	60.9
Pima	70.0	72.7	58.0	62.9	73.7	65.7	58.0	66.7	70.8	48.7	40.3
Rural	54.4	49.7	65.5	60.0	54.9	47.6	63.0	55.3	58.1	45.9	44.7
Index Detail (Statewide):											
Present Situation Index	53.9	56.5	50.3	51.3	50.0	52.0	40.6	39.0	32.0	32.8	26.4
Expectation Index (Next 6 Months)	83.5	87.6	80.9	77.2	87.5	81.3	91.8	88.4	94.5	74.0	72.4
Appraisal of Present Situation: Percent Holding Attitude											
Business Conditions:											
Good	30%	33%	29%	28%	33%	29%	20%	26%	22%	21%	21%
Normal	43	45	46	44	39	43	44	40	42	39	32
Bad	21	19	21	22	23	24	31	29	33	37	43
Not sure	6	3	4	6	5	4	5	5	3	3	4
Employment:											
Jobs plentiful	13%	14%	12%	13%	10%	13%	12%	8%	6%	9%	6%
Not so many	30	32	25	30	34	35	30	33	33	28	25
Jobs hard to get	46	45	51	47	47	43	48	53	56	56	63
Not sure	11	9	12	10	9	9	10	6	5	7	6
Expectations For Six Month Hence: Percent Holding Attitude											
Business Conditions:											
Better	20%	26%	29%	26%	29%	29%	28%	32%	36%	28%	25%
Same	58	54	46	46	52	45	42	47	48	47	47
Worse	15	13	19	19	13	19	12	14	11	20	20
Not sure	7	7	6	9	6	7	18	7	5	5	8
Employment:											
More jobs	28%	28%	23%	24%	28%	27%	29%	30%	27%	24%	23%
Same	36	44	47	43	41	40	37	42	51	40	39
Fewer jobs	24	20	21	23	22	25	15	19	16	29	31
Not sure	12	8	9	10	9	8	19	9	6	7	7
Family Income:											
Higher	26%	26%	25%	25%	22%	22%	22%	19%	23%	22%	21%
Same	65	63	64	60	67	67	65	69	68	63	67
Lower	7	9	10	12	8	8	9	9	8	11	10
Not sure	2	2	1	3	3	3	4	3	1	4	2

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Rating Of *Current* General Business Conditions

	Maricopa	Pima	Rural
Good	29%	27%	35%
Normal	50	37	30
Bad	15	25	31
Don't know	6	11	4
	100%	100%	100%

Rating Of *Current* Job Availability

	Maricopa	Pima	Rural
Plenty	17%	6%	8%
Not so many	29	26	36
Hard to get	43	52	48
Don't know	11	16	8
	100%	100%	100%

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Rating Of General Business Conditions *Six Months Hence*

	Maricopa	Pima	Rural
Better	22%	20%	16%
About the same	56	62	59
Worse	15	14	15
Don't know	7	4	10
	100%	100%	100%

Rating Of Job Availability *Six Months Hence*

	Maricopa	Pima	Rural
More	32%	30%	17%
About the same	35	33	41
Fewer	21	25	31
Don't know	12	12	11
	100%	100%	100%

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Rating Of Family Income *Six Months Hence*

	Maricopa	Pima	Rural
Higher	30%	32%	14%
About the same	61	66	75
Lower	6	1	10
Don't know	3	1	1
	100%	100%	100%

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