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QUARTERLY CONSUMER CONFIDENCE BY NINE NY STATE MSA'S

For Immediate Release: Wednesday, July 11, 2012
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PDF version; trends: www.siena.edu/SRI/CCI

2nd Quarter 2012: Confidence Continues to Climb in Albany, Buffalo, Mid-Hudson, Rochester; Falls in Utica, Syracuse and NYC

All Areas Up from a Year Ago; Increases from 7% to 27%

NYC, Albany, Rochester Most Optimistic; Utica, Binghamton Most Pessimistic

Across All Regions, 2/3rds of Buying Plans Drop; Still 42% at or above Historic Average

Loudonville, NY – Overall Consumer Confidence increased in five New York State MSA's in the second quarter of 2012, according to the latest *Quarterly Consumer Confidence* survey released today by the Siena (College) Research Institute (SRI). At 79.3, the New York City region had the highest overall consumer confidence of the nine regions, and the Utica region had the lowest, at 63.4. Current confidence increased in five regions and Future confidence increased in four regions.

| | | |
|--|--|---|
| Overall confidence is up: 3.4 points in Albany to 78.7 (#2) 1.4 points in Buffalo to 72.2 (#5) 1.4 points in Mid Hudson to 70.2 (#6) 1.1 points in Rochester to 78.7 (#2) 0.4 points in Long Island to 73.5 (#4) | Current confidence is up: 6.5 points in Albany to 80.0 (#2) 2.3 points in Mid Hudson 70.1 (#8) 1.9 points in Binghamton to 71.3 (#7) 1.5 points in Long Island to 73.5 (#4) 1.5 points in Rochester to 80.3 (#1) | Future confidence is up: 2.9 points in Buffalo to 67.4 (#6) 1.4 points in Albany to 77.8 (#2) 1.0 points in Mid Hudson to 70.3 (#5) 0.7 points in Rochester to 77.6 (#3) |
| Overall confidence is down: 4.9 points in Utica to 63.4 (#9) 2.7 points in Syracuse to 68.6 (#7) 2.2 points in NYC to 79.3 (#1) 0.1 points in Binghamton to 65.8 (#8) | Current confidence is down: 5.7 points in Utica 68.2 (#9) 5.0 points in Syracuse to 71.6 (#6) 1.1 points in Buffalo to 79.6 (#3) 1.1 points in NYC to 72.8 (#5) | Future confidence is down: 4.4 points in Utica to 60.3 (#9) 3.0 points in NYC to 83.4 (#1) 1.4 points in Binghamton to 62.3 (#8) 1.2 points in Syracuse to 66.7 (#7) 0.2 points in Long Island to 73.5 (#4) |

“After huge confidence gains in every area during the first quarter, only Albany continued to experience a substantial increase while Buffalo, Mid Hudson and Rochester had modest gains,” according to Dr. Douglas Lonnstrom, professor of statistics and finance at Siena College and SRI Founding Director. “Confidence remained relatively unchanged in Long Island and Binghamton, fell somewhat in Syracuse and New York City and declined sharply in Utica. Still, when taking a long range look, all regions are up at least seven percent (Mid Hudson, Syracuse) to as much as twenty-seven percent (Albany) from this time last year. Today residents of New York City, Albany and Rochester are most optimistic about the economy while those in Utica and Binghamton are most pessimistic. While two-thirds of buying plans for major consumer purchases fell this quarter, over forty-percent are at least at, if not greater than their historic average rate. All told, confidence and the intent to purchase appears stronger today than they have been in recent memory.”

SRI's **Quarterly Consumer Confidence Index** reports regions known as “metropolitan statistical areas” (MSA's). An MSA is a core urbanized area of 50,000 or more people plus adjacent counties with strong social or economic ties, as measured by commuting patterns. SRI has been following quarterly consumer confidence trends by MSA since the 4th quarter of 2001. The following table compares the 2nd quarter of 2011 with the 2nd quarter of 2012 across each of the MSA's and states the percentage increase. The table restates consumer confidence for each MSA as a percentage of “Equilibrium”, that is, the point at which equal percentages of respondents feel optimistic and pessimistic about the economy. When the current index reaches 100% of equilibrium, consumers express equal amounts of optimism and pessimism.

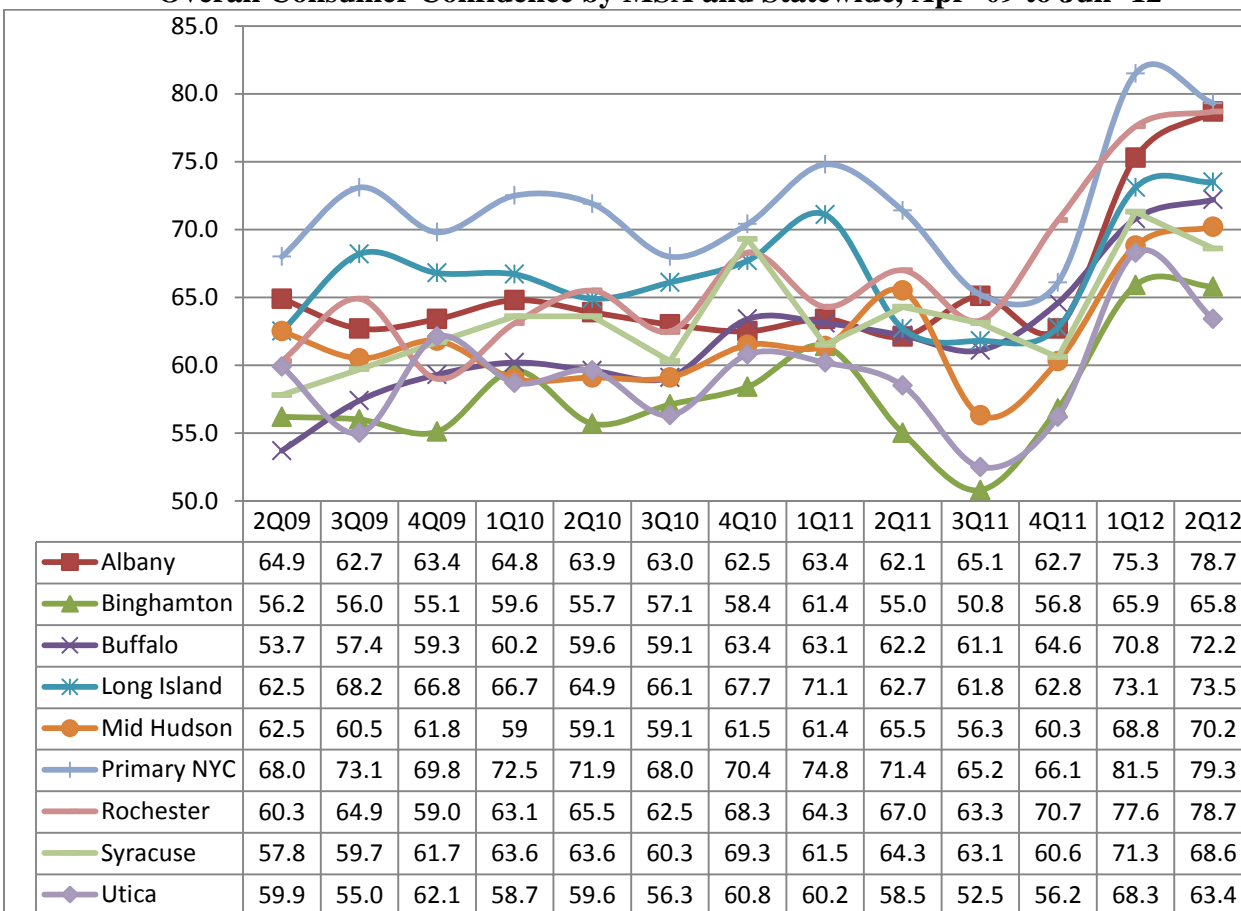
| | 2 nd Quarter Index 2011 | 2 nd Quarter Index 2012 | Percent Increase or Decrease from Previous Year | Current Index as Percentage of Equilibrium |
|-------------|---------------------------------------|---------------------------------------|---|--|
| Albany | 62.1 | 78.7 | 27% | 104% |
| Binghamton | 55.0 | 65.8 | 20% | 87% |
| Buffalo | 62.2 | 72.2 | 16% | 95% |
| Long Island | 62.7 | 73.5 | 17% | 97% |
| Mid Hudson | 65.5 | 70.2 | 7% | 92% |
| NYC | 71.4 | 79.3 | 11% | 104% |
| Rochester | 67.0 | 78.7 | 17% | 104% |
| Syracuse | 64.3 | 68.6 | 7% | 90% |
| Utica | 58.5 | 63.4 | 8% | 83% |

The intent of the Consumer Confidence Index is to measure peoples' willingness to spend, as opposed to their ability to spend. The nine MSA's studied - Albany, Binghamton, Buffalo, Long Island, Mid Hudson, NYC, Rochester, Syracuse, and Utica - are profiled in an attempt to provide regional measures of the state's economic health. This data reports consumer confidence for 2nd quarter by MSA and should not be confused with SRI's monthly New York State index.

Siena Research Institute
2nd Quarter 2012 Consumer Confidence, by MSA
Wednesday, July 11, 2012

The SRI survey measures *current* and *future* consumer confidence, which combined provides the *Overall* Consumer Confidence.

Overall Consumer Confidence by MSA and Statewide, Apr '09 to Jun '12



*Equilibrium point, i.e., point at which equal percentages are positive/negative or optimistic/pessimistic is 76.01 for overall confidence

While Consumer Confidence is reported as an *index* number, the *buying plans* portion of the survey reflects the percent of respondents who plan specific expenditures in the next six months. Of the 45 buying decisions possible across the nine MSA's, 14 were up this quarter, 30 were down and 1 remained the same. Each buying plan per MSA displays the current percentage of respondents intending to purchase, the change from last quarter, and the historic average percentage of respondents by MSA that have intended to purchase.

| Buying Plans: 2nd Quarter 2012, by MSA with Change from Last Quarter and Historic Average | | | | | | | | | |
|---|---------------|-------------------|----------------|--------------------|-------------------|--------------|------------------|-----------------|--------------|
| | Albany | Binghamton | Buffalo | Long Island | Mid Hudson | NYC | Rochester | Syracuse | Utica |
| Car/Truck | 12.0 | 7.3 | 12.3 | 11.5 | 9.7 | 10.3 | 9.2 | 11.9 | 10.7 |
| | (1.2 pts) | (-4.2 pts) | (3.2 pts) | (-1.2 pts) | (0.6 pts) | (-1.5 pts) | (-1.3 pts) | (-2.0 pts) | (-2.4 pts) |
| | <i>13.1%</i> | <i>11.2%</i> | <i>12.3%</i> | <i>11.4%</i> | <i>10.6%</i> | <i>11.6%</i> | <i>11.4%</i> | <i>12.8%</i> | <i>11.0%</i> |
| Computer | 13.4 | 8.5 | 9.6 | 14.6 | 10.5 | 17.7 | 9.2 | 9.2 | 7.5 |
| | (2.1 pts) | (-0.9 pts) | (0.3 pts) | (-2.2 pts) | (-1.2 pts) | (-2.7 pts) | (-3.4 pts) | (-2.6 pts) | (-2.6 pts) |
| | <i>11.7%</i> | <i>9.6%</i> | <i>10.0%</i> | <i>13.7%</i> | <i>11.9%</i> | <i>17.6%</i> | <i>13.2%</i> | <i>10.5%</i> | <i>8.7%</i> |
| Furniture | 16.8 | 14.1 | 17.5 | 17.3 | 13.1 | 24.5 | 14.8 | 11.9 | 14.5 |
| | (-1.9 pts) | (0.7 pts) | (1.2 pts) | (-3.1 pts) | (-1.9 pts) | (-0.4 pts) | (-1.7 pts) | (-3.2 pts) | (-1.2 pts) |
| | <i>17.8%</i> | <i>13.6%</i> | <i>16.1%</i> | <i>17.2%</i> | <i>14.7%</i> | <i>22.6%</i> | <i>14.6%</i> | <i>14.8%</i> | <i>12.9%</i> |
| Home | 2.4 | 2.7 | 2.4 | 3.9 | 1.9 | 6.6 | 4.1 | 3.4 | 3.1 |
| | (-1.9 pts) | (-0.1 pts) | (0.5 pts) | (0.8 pts) | (-1.4 pts) | (1.8 pts) | (-0.5 pts) | (0.6 pts) | (0.0 pts) |
| | <i>3.6%</i> | <i>3.3%</i> | <i>3.6%</i> | <i>3.2%</i> | <i>3.0%</i> | <i>6.1%</i> | <i>3.6%</i> | <i>3.6%</i> | <i>2.5%</i> |
| Maj. Home Improvement | 22.2 | 18.0 | 19.2 | 16.6 | 16.1 | 15.4 | 14.3 | 16.8 | 14.8 |
| | (6.1 pts) | (-0.6 pts) | (4.1 pts) | (-0.7 pts) | (-0.5 pts) | (-0.2 pts) | (-3.3 pts) | (1.3 pts) | (-2.3 pts) |
| | <i>21.8%</i> | <i>19.3%</i> | <i>18.1%</i> | <i>14.8%</i> | <i>17.9%</i> | <i>15.4%</i> | <i>17.9%</i> | <i>19.5%</i> | <i>17.3%</i> |

() reflects change from previous quarter; historic average in *italics*

The SRI survey was conducted by random telephone calls to adults over the age of 18. The New York City and Long Island index are based on an average of SRI's monthly consumer confidence surveys. Each of the other metro area indexes is based on over 400 respondents. Survey crosstabs and frequencies for the consumer confidence of each metro area can be found on the Web at: www.siena.edu/SRI/CCI