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Monthly New York State Consumer Confidence Index including Gas and Food Analysis

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For information/comment: Dr. Douglas Lonnstrom: 518-783-2362 (office) or 518-456-6073 (home)

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Volatile February Torpedoes Confidence; Overall, Current & Future All Sink
Gas Price Concern Highest Since Fall of 2008; Up for 5th Consecutive Month as Prices Soar
Pent Up Demand Keeps Buying Plans Elevated – For Now - for Furniture, Cars & Home Improvements

Loudonville, NY - New York State consumer confidence decreased 8.8 points in February, while the nation’s confidence increased 3.3 points, according to the latest poll by the Siena (College) Research Institute (SRI). At 67.7, New York’s overall consumer confidence is 9.8 points below the nation’s* 77.5 confidence level.

February 2011 Consumer Confidence:	The Nation*	New York State	diff. points	New York State	Metro NYC	Upstate NY
Overall	77.5 (3.3)	67.7 (-8.8)	-9.8	67.7 (-8.8)	70.8 (-10.1)	63.3 (-5.6)
Current	86.9 (5.1)	67.8 (-8.0)	-19.1	67.8 (-8.0)	69.4 (-8.3)	66.0 (-6.4)
Future	71.6 (2.3)	67.6 (-9.3)	-4.0	67.6 (-9.3)	71.8 (-11.2)	61.6 (-5.1)

() reflects the point change from previous month. *National data compiled by the U. of Michigan

In February, buying plans were up for: *computers*, 0.6 points to 15.0%; and *major home improvements*, 1.0 points to 16.6%. Buying plans were down for *cars/trucks*, 1.0 points to 11.4%; and *homes*, 0.5 points to 4.0%; *furniture*, remained unchanged at 22.7%.

“Unfortunately, as we warned a month ago, Mideast turmoil as well as U.S. budget battles punctured the confidence balloon New Yorkers floated in January,” according to Dr. Doug Lonnstrom, professor of statistics and finance at Siena College and SRI Founding Director. “Confidence returned to the doldrums of late 2010 as consumers were more affected by the sudden price increases at the pump than by small gains on Wall Street or a drop in unemployment. Buying plans remain above recent demand rates especially for furniture, cars and home improvements for now. But with gas headed towards \$4.00 and food prices now likely to increase, the willingness to spend seems likely to lessen for many state residents.”

Each month since January 1999, the SRI survey establishes a Consumer Confidence index number for New York State consumers. This index number allows a direct comparison of New Yorkers to all Americans (“the nation”) as surveyed by the University of Michigan’s Consumer Sentiment index. The SRI survey measures *current* and *future* consumer confidence, which combined provides the *overall* consumer confidence. SRI further looks at confidence in New York State by region (metro New York City and Upstate), age, income, gender and party.

Consumer Confidence in New York State (index numbers):			
February 2011			
(Groups listed in descending order by Overall CCI Rating)			
	Overall	Current	Future
Higher income	73.2 (-8.3)	75.8 (-8.7)	71.5 (-8.1)
Under Age 55	72.3 (-6.1)	69.7 (-7.6)	74.0 (-5.1)
Metro NYC	70.8 (-10.1)	69.4 (-8.3)	71.8 (-11.2)
Men	70.8 (-7.6)	71.3 (-7.9)	70.6 (-7.2)
Democrats	70.5 (-9.7)	69.4 (-7.5)	71.3 (-10.9)
New York State	67.7 (-8.8)	67.8 (-8.0)	67.6 (-9.3)
Republicans	65.9 (-6.3)	69.0 (-7.9)	64.0 (-5.1)
Women	65.1 (-9.0)	65.2 (-6.8)	65.0 (-10.4)
Age 55+	63.7 (-10.8)	66.7 (-8.0)	61.8 (-12.6)
Upstate NY	63.3 (-5.6)	66.0 (-6.4)	61.6 (-5.1)
Lower income	59.7 (-10.4)	57.6 (-6.1)	61.1 (-13.1)

Consumer Confidence and Buying Plans; Summary of Previous 36 Months								
	Consumer Confidence			Buying Plans				
	Overall Index	Current Index	Future Index	Car/Truck	Computer	Furniture	Home	Major Home Improvement
Feb 2008	62.4	65.6	60.3	10.1%	11.1%	17.4%	4.0%	15.4%
Feb 2009	60.8	58.0	62.5	9.5%	13.1%	15.7%	4.4%	14.1%
Feb 2010	65.6	66.0	65.5	9.5%	13.9%	16.9%	4.6%	14.5%
Feb 2011	67.7	67.8	67.6	11.4%	15.0%	22.7%	4.0%	16.6%
3 Year Difference	5.3	2.2	7.3	1.3	3.9	5.3	0.0	1.2
Highest	76.5 (Jan 11)	75.8 (Jan 11)	76.9 (Jan 11)	12.4% (Jan 11)	16.3% (May 10 & Dec 10)	22.7% (Jan 11 & Feb 11)	4.7% (Aug 08 & May 10)	18.0% (Mar 10)
Lowest	51.6 (Oct 08)	49.7 (Oct 08)	49.9 (Jun 08)	7.0% (Aug 10)	7.4% (Oct 08)	10.3% (Nov 08)	2.0% (Jul 10 & Aug 10)	10.9% (Nov 08)

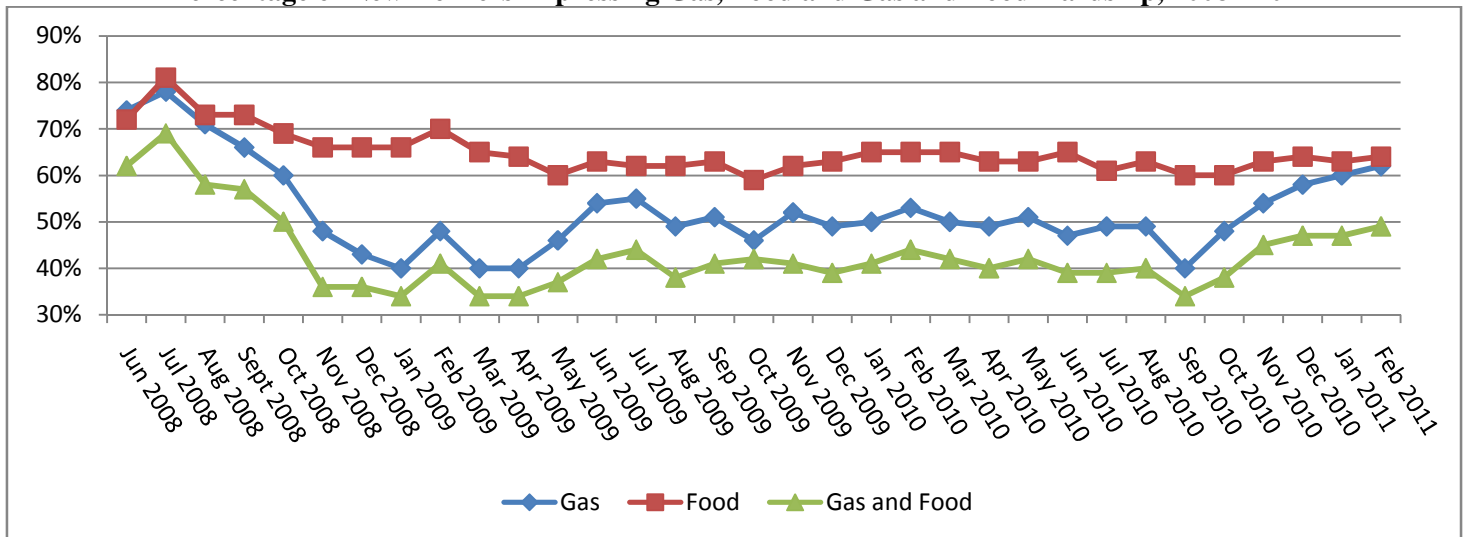
“Confidence eroded in February among every demographic group. It didn’t matter, looking back or looking forward, New Yorkers once again feel this month that the economy is conspiring against them. Concern over the cost of gasoline rose for the fifth consecutive month and prices were rising sharply as February ended. Now with food prices set to escalate, the percentage of New Yorkers feeling pinched by both the pump and the checkout line, already flirting with fifty percent for the first time since 2008, is sure to move even higher,” according to Dr. Lonnstrom.

Gas and Food Price Analysis

Sixty-two percent of all New Yorkers say that current gasoline prices are having a very serious or somewhat serious impact on their financial condition. Sixty-four percent of state residents indicate that the amount of money they spend on groceries is having either a very serious or somewhat serious impact on their finances. Forty-nine percent of state residents say that both gasoline and food prices are having either a somewhat or very serious impact on their finances.

The following chart shows the percentage of New York State residents that report a hardship from 1) gasoline prices, 2) food prices, and 3) both gas and food prices from June 2008 through February 2011

Percentage of New Yorkers Expressing Gas, Food and Gas and Food Hardship, 2008 - 2011



The SRI survey of Consumer Confidence was conducted in February 2011 by random telephone calls to 842 New York State residents over the age of 18. As consumer confidence is expressed as an index number developed after statistical calculations to a series of questions, “margin of error” does not apply. Buying plans, which are shown as a percentage based on answers to specific questions, do have a margin of error of ± 3.4 points. For more information or comments, please call Dr. Douglas Lonnstrom, Siena College professor of finance and statistics and SRI Founding Director, at 518-783-2362 (office) or 518-456-6073 (home). Survey cross-tabulations and buying plans can be found at www.siena.edu/sri/cci. SRI is an independent, non-partisan research institute. SRI subscribes to the American Association of Public Opinion Research (AAPOR) Code of Professional Ethics and Practices.

Index of Consumer Sentiment, U.S. and New York, 1999-Present

