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

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For PDF of release, data summary, or trend analysis, visit www.siena.edu/sri/ccf

NY Confidence Soars: Consumer Sentiment Highest Since Summer '07
NY'ers Far More Optimistic about Future than National Rate; Every Demographic Group Up;
NYC Leads the Way, Upstate Rebounds

Intent to Buy Cars, Furniture Hit 3 ½ Year Highs; Gas Pump Price Worry Creeps Upwards

Loudonville, NY - New York State consumer confidence increased 10.9 points in January, while the nation's confidence decreased 0.3 points, according to the latest poll by the Siena (College) Research Institute (SRI). At 76.5, New York's overall consumer confidence is 2.3 points above the nation's* 74.2 confidence level.

January 2011 Consumer Confidence:	The Nation*	New York State	diff. points	New York State	Metro NYC	Upstate NY
Overall	74.2 (-0.3)	76.5 (10.9)	2.3	76.5 (10.9)	80.9 (12.9)	68.9 (7.2)
Current	81.8 (-3.5)	75.8 (8.7)	-6.0	75.8 (8.7)	77.7 (11.0)	72.4 (4.6)
Future	69.3 (1.8)	76.9 (12.2)	7.6	76.9 (12.2)	83.0 (14.1)	66.7 (9.0)

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

In January, buying plans were up for: *cars/trucks*, 3.2 points to 12.4%; *furniture*, 5.7 points to 22.7%; and *major home improvements*, 1.1 points to 15.6%. Buying plans were down for *computers*, 1.9 points to 14.4%; *homes*, remained unchanged at 4.5%.

“Great news for New Yorkers: the willingness to spend jumped nearly eleven points in January, the single largest monthly spike in Siena’s twelve years tracking consumer sentiment,” according to Dr. Doug Lonnstrom, professor of statistics and finance at Siena College and SRI Founding Director. **“Confidence has reached a level we haven’t seen since July of 2007. Increasing good economic news released in January as well as faith in Governor Cuomo’s out of gate message of a fiscally conservative Empire State’s rebirth, have opened a sudden flood gate of consumer hope. We’ve arrived at the critical tipping point where optimism is finally standing up to the bully of pessimism that has pushed us around for the last three years. We may have reached rather than turned a corner however. Sudden turmoil in the Mideast and the reality of a new state budget with painful cuts could blow out the candles on this cake.”**

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):			
January 2011			
(Groups listed in descending order by Overall CCI Rating)			
	Overall	Current	Future
Higher income	81.5 (13.2)	84.5 (9.1)	79.6 (15.9)
Metro NYC	80.9 (12.9)	77.7 (11.0)	83.0 (14.1)
Democrats	80.2 (7.9)	76.9 (5.6)	82.2 (9.2)
Men	78.4 (11.9)	79.2 (9.8)	77.8 (13.1)
Under Age 55	78.4 (11.0)	77.3 (11.0)	79.1 (11.0)
New York State	76.5 (10.9)	75.8 (8.7)	76.9 (12.2)
Age 55+	74.5 (10.3)	74.7 (6.5)	74.4 (12.8)
Women	74.1 (9.3)	72.0 (6.8)	75.4 (10.9)
Republicans	72.2 (17.1)	76.9 (17.8)	69.1 (16.5)
Lower income	70.1 (6.4)	63.7 (4.6)	74.2 (7.5)
Upstate NY	68.9 (7.2)	72.4 (4.6)	66.7 (9.0)

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
Jan 2008	64.9	72.8	59.9	8.5%	11.7%	18.3%	3.1%	15.4%
Jan 2009	58.1	62.2	55.5	7.7%	9.4%	12.3%	2.2%	11.0%
Jan 2010	68.6	69.0	68.4	11.6%	11.7%	18.0%	3.4%	14.0%
Jan 2011	76.5	75.8	76.9	12.4%	14.4%	22.7%	4.5%	15.6%
3 Year Difference	11.6	3.0	17.0	3.9	2.7	4.4	1.4	0.2
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)	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)

“Every group, every region, is up on every index, overall, current and future! At over twelve percent, car buying plans have hit a point we haven’t seen since October of 2007. Perhaps even more impressive, nearly one of every four New Yorkers now plan to make a furniture purchase, the most robust rate since June of 2007. All this despite enduring unemployment, and growing concern over the cost of gasoline that reached sixty percent this month. No doubt, gas prices could move overall confidence up or down in the coming months,” according to Dr. Lonnstrom.

Gas and Food Price Analysis

Sixty percent of all New Yorkers say that current gasoline prices are having a very serious or somewhat serious impact on their financial condition. Sixty-three 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-seven 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 by income, political party, age, location and gender that report a hardship from 1) gasoline prices, 2) food prices, and 3) both gas and food prices.

Seriousness of Gas and Food Prices: Percentage of NY'ers												
Total percent by category indicating a somewhat or very serious problem.												
	Gasoline				Food				Both Gas and Food			
	Jan 2011	Dec 2010	Nov 2010	Oct 2010	Jan 2011	Dec 2010	Nov 2010	Oct 2010	Jan 2011	Dec 2010	Nov 2010	Oct 2010
Upstate NY	70%	66%	64%	62%	63%	66%	64%	64%	53%	54%	53%	48%
Republicans	70%	61%	63%	54%	65%	70%	66%	59%	55%	55%	54%	40%
Lower Income	63%	61%	61%	54%	71%	74%	75%	70%	52%	52%	52%	44%
Under age 55	63%	60%	55%	49%	68%	69%	68%	64%	50%	51%	48%	39%
Men	60%	60%	52%	46%	58%	60%	56%	53%	45%	47%	41%	34%
New York State	60%	58%	54%	48%	63%	64%	63%	60%	47%	47%	45%	38%
Women	60%	58%	55%	50%	69%	67%	71%	67%	49%	48%	48%	41%
Age 55+	58%	58%	53%	48%	60%	62%	59%	58%	45%	45%	42%	38%
Higher Income	58%	57%	48%	45%	59%	57%	54%	54%	44%	44%	39%	34%
Democrats	57%	55%	48%	45%	63%	60%	60%	59%	44%	42%	39%	35%
Metro NYC	54%	54%	47%	40%	63%	63%	63%	59%	44%	43%	39%	32%

The SRI survey of Consumer Confidence was conducted in January 2011 by random telephone calls to 807 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

