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Monthly New York State Index of Consumer Sentiment including Gas and Food Analysis

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NY Consumer Sentiment Drops 2 Points to End 2012; Nation’s Score Plummet
Confidence 10 Pts above a Year Ago; Future Outlook Guardedly Optimistic as New Year Begins
Gas Worries Down; Food Concerns Rise; All Buying Plans Drop

Loudonville, NY – The New York State Index of Consumer Sentiment decreased 2.1 points in December, while the nation’s Index decreased 9.8 points, according to the latest poll by the Siena (College) Research Institute (SRI). At 77.3, New York’s overall Index of Consumer Sentiment is 4.4 points above the nation’s* Index of 72.9.

December 2012 Index of Consumer Sentiment:	The Nation*	New York State	diff. points	New York State	Metro NYC	Upstate NY
Overall	72.9 (-9.8)	77.3 (-2.1)	4.4	77.3 (-2.1)	81.3 (-1.8)	70.8 (-2.8)
Current	87.0 (-3.7)	75.4 (-3.0)	-11.6	75.4 (-3.0)	75.8 (-3.0)	74.3 (-3.4)
Future	63.8 (-13.8)	78.6 (-1.4)	14.8	78.6 (-1.4)	84.9 (-1.0)	68.6 (-2.4)

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

In December, buying plans were down for *cars/trucks*, 2.6 points to 11.5%, *computers*, 1.3 points to 17.9%, *furniture*, 3.2 points to 20.7% , *homes*, 1.5 points to 2.9% and *major home improvements*, 0.9 to 16.6%.

“As the holiday season unfolded, and the fiscal cliff conversation played in the background, consumer sentiment eased lower in New York,” according to Dr. Don Levy, SRI’s Director. **“Nationally, sentiment fell sharply and dropped once again below the point at which optimism exceeds pessimism. New Yorkers are more confident and today stand ten points above where we stood as last year’s ball landed in Times Square. Still, hold the confetti. At best, consumers are guardedly optimistic toward 2013 as only slightly more anticipate good economic times this year compared to those that predict another tough year and only thirty percent insist that they will be better off by 2014.**

“Despite a drop in December, Democrats, the young and New York City residents had the highest overall confidence and the largest gains over the last year. Democrats rose by a striking nineteen points. Consumers now must react to the fiscal cliff deal that may not increase income taxes for most but did not manage to keep the payroll tax holiday in place.”

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

Consumer Sentiment in New York State (index numbers):			
December 2012			
(Groups listed in descending order by Overall ICS Rating)			
	Overall	Current	Future
Democrats	91.8 (-4.2)	85.3 (-1.8)	96.1 (-5.6)
Under Age 55	83.0 (-1.2)	78.1 (-4.5)	86.1 (1.0)
Metro NYC	81.3 (-1.8)	75.8 (-3.0)	84.9 (-1.0)
Men	79.4 (-0.9)	78.8 (-1.2)	79.8 (-0.7)
Higher income	79.1 (-5.1)	80.0 (-7.1)	78.6 (-3.6)
New York State	77.3 (-2.1)	75.4 (-3.0)	78.6 (-1.4)
Women	75.6 (-3.2)	72.4 (-4.5)	77.6 (-2.4)
Age 55+	73.2 (-3.6)	73.5 (-1.9)	73.0 (-4.6)
Lower income	73.2 (0.3)	67.5 (2.7)	76.9 (-1.2)
Upstate NY	70.8 (-2.8)	74.3 (-3.4)	68.6 (-2.4)
Republicans	60.6 (2.8)	69.7 (2.6)	54.8 (3.0)

Index of Consumer Sentiment and Buying Plans; Summary of Last Five Years								
	Index of Consumer Sentiment			Buying Plans				
	Overall Index	Current Index	Future Index	Car/Truck	Computer	Furniture	Home	Major Home Improvement
Dec 2007	69.0	76.9	63.9	9.9%	15.5%	17.8%	4.3%	16.0%
Dec 2008	57.1	58.4	56.2	8.4%	10.2%	10.8%	2.5%	13.2%
Dec 2009	65.8	63.7	67.2	10.5%	16.0%	16.6%	4.0%	14.4%
Dec 2010	65.6	67.1	64.7	9.2%	16.3%	17.0%	4.5%	14.5%
Dec 2011	67.3	66.0	68.1	8.1%	15.7%	17.5%	3.0%	13.2%
Dec 2012	77.3	75.4	78.6	11.5%	17.9%	20.7%	2.9%	16.6%
Highest	79.4 (Nov 12)	78.4 (Nov 12)	80.8 (Oct 12)	14.1% (Nov 12)	19.2% (Nov 12)	23.9% (Nov 12)	5.7% (May 12)	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)

“Buying plans were down for each of the five types of major consumer goods we track – cars, computers, furniture, homes and home improvements – in December. Despite this month’s drop in consumers’ plans to purchase major goods, each buying plan, except homes, is up by two or more percentage points from this time last year. Pent up demand appears to be more of the explanation for projected spending rather than consumers feeling like our economic problems are behind us.

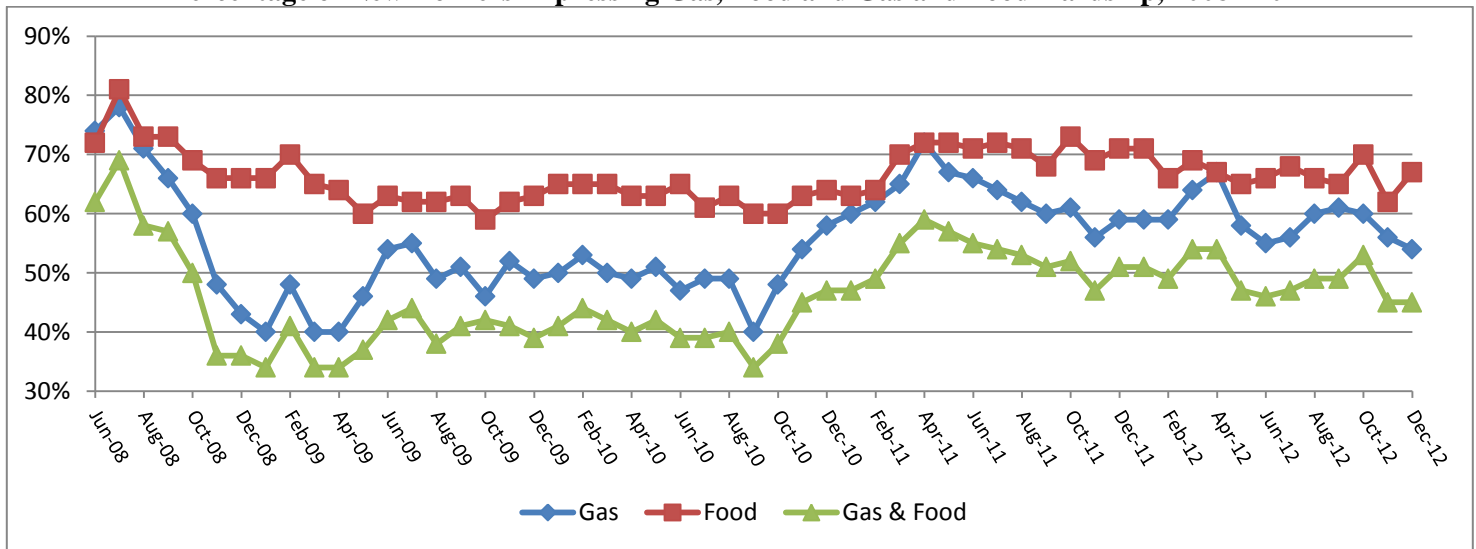
“The concern that residents have over purchasing gas declined again this month for the third consecutive month. But on the other hand, the financial impact of grocery shopping rose sharply and was the highest we’ve seen since the summer.” according to Dr. Levy.

Gas and Food Price Analysis

Fifty-four percent of all New Yorkers say that current gasoline prices are having a very serious or somewhat serious impact on their financial condition. Sixty-seven 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-five percent of state residents say that both gasoline and food prices are having either a somewhat or very serious impact on their finances.

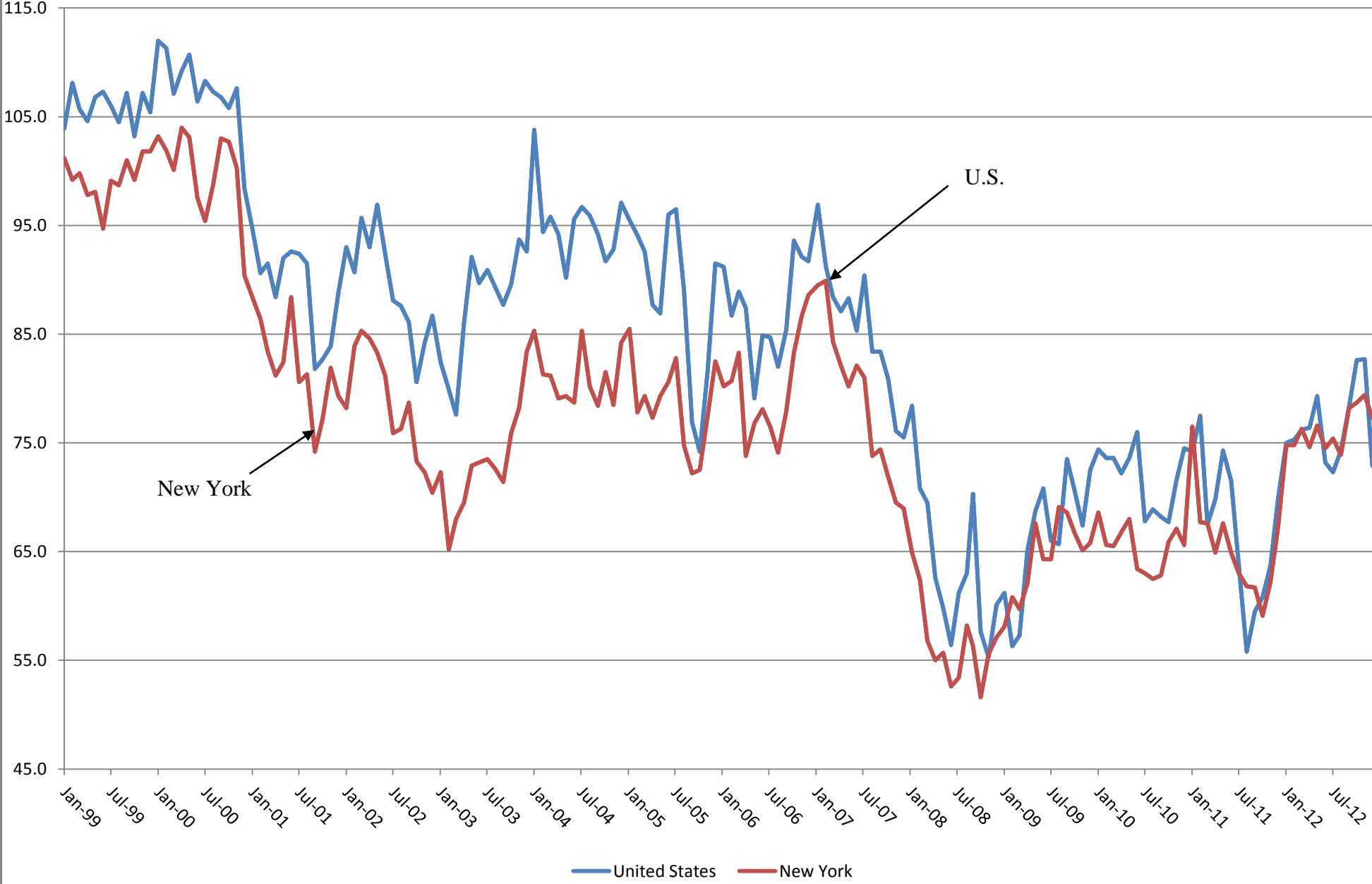
The following chart shows the percentage of New York State residents that report a hardship from 1) gasoline prices, 2) food prices, and 3) both gas and food prices from June 2008 through December 2012.

Percentage of New Yorkers Expressing Gas, Food and Gas and Food Hardship, 2008 - 2012



The SRI Index of Consumer Sentiment was conducted in December 2012 by random telephone calls to 803 New York State residents over the age of 18. As consumer sentiment 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 ± 3.5 points. For more information or comments, please call Dr. Don Levy, SRI’s Director, at 518-783-2901. 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



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			
	Dec 2012	Nov 2012	Oct 2012	Sep 2012	Dec 2012	Nov 2012	Oct 2012	Sep 2012	Dec 2012	Nov 2012	Oct 2012	Sep 2012
Republicans	62%	67%	72%	73%	66%	69%	81%	70%	51%	57%	65%	61%
Upstate NY	62%	66%	71%	70%	66%	64%	77%	66%	51%	52%	62%	57%
Lower Income	60%	62%	66%	65%	76%	74%	82%	76%	52%	52%	59%	57%
Women	56%	59%	61%	59%	71%	69%	75%	65%	47%	49%	55%	49%
Age 55+	56%	55%	62%	64%	69%	61%	72%	69%	46%	42%	55%	53%
New York State	54%	56%	60%	61%	67%	62%	70%	65%	45%	45%	53%	49%
Under age 55	52%	56%	58%	58%	64%	63%	69%	61%	45%	46%	51%	47%
Higher Income	52%	51%	57%	63%	61%	56%	64%	64%	43%	39%	49%	51%
Men	51%	53%	57%	57%	61%	57%	65%	57%	41%	43%	51%	45%
Metro NYC	49%	49%	53%	55%	67%	61%	67%	64%	42%	40%	47%	45%
Democrats	49%	45%	50%	51%	62%	56%	58%	61%	40%	36%	40%	41%

Siena College Research Institute December 2012

Full table available on website: www.siena.edu/sri/cci