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

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Consumer Confidence Plummets Nationally; NY Steady, but Lower than U.S.
Majority of NY'ers Predict Five Tough Years; Dems, NYC and the Young Slightly More
Upbeat, Upstate Outlook Dismal

Home Buying Plans at Record Low; Gas Price Worries Up, Food Cost Concerns Lessen

Loudonville, NY - New York State consumer confidence decreased 0.4 points in July, while the nation's confidence decreased 8.2 points, according to the latest poll by the Siena (College) Research Institute (SRI). At 63.0, New York's overall consumer confidence is 4.8 points below the nation's* 67.8 confidence level.

July 2010 Consumer Confidence:	The Nation*	New York State	diff. points	New York State	Metro NYC	Upstate NY
Overall	67.8 (-8.2)	63.0 (-0.4)	-4.8	63.0 (-0.4)	67.9 (1.0)	54.5 (-3.5)
Current	76.5 (-9.1)	66.0 (0.4)	-10.5	66.0 (0.4)	69.4 (5.3)	59.9 (-8.3)
Future	62.3 (-7.5)	61.1 (-0.9)	-1.2	61.1 (-0.9)	66.9 (-1.7)	51.1 (-0.3)

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

In July, buying plans were up for: *cars/trucks*, 0.1 points to 9.6%; and *computers*, 1.5 points to 12.8%. Buying plans were down for: *furniture*, 0.3 points to 17.4%; *homes*, 1.1 points to 2.0%; and *major home improvements*, 0.5 points to 13.7%.

“Nationally this month Consumer Confidence fell like a rock, down by eight points,” according to Dr. Doug Lonnstrom, professor of statistics and finance at Siena College and SRI Founding Director. “In New York, the ‘willingness to spend’ held nearly constant, but at a level well below the national number. Most concerning is the low level of future confidence here in the Empire State. A majority of residents expect continuing periods of economic difficulties over the next five years and an even greater majority think business conditions will worsen over the next year. Only one in four expect to better their own financial situation over the next twelve months.”

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):			
July 2010			
(Groups listed in descending order by Overall CCI Rating)			
	Overall	Current	Future
Democrats	71.4 (0.4)	73.1 (5.3)	70.3 (-2.7)
Metro NYC	67.9 (1.0)	69.4 (5.3)	66.9 (-1.7)
Under Age 55	66.1 (-3.1)	64.8 (-3.4)	66.9 (-2.9)
Higher income	64.6 (-1.8)	71.6 (0.3)	60.1 (-3.2)
Women	64.3 (1.6)	65.2 (1.1)	63.7 (1.9)
New York State	63.0 (-0.4)	66.0 (0.4)	61.1 (-0.9)
Lower income	61.1 (2.7)	57.6 (0.3)	63.3 (4.2)
Men	60.9 (-3.3)	66.3 (-1.2)	57.4 (-4.6)
Age 55+	60.9 (1.5)	66.3 (2.6)	57.4 (0.7)
Republicans	57.8 (0.3)	61.0 (-3.4)	55.7 (2.6)
Upstate NY	54.5 (-3.5)	59.9 (-8.3)	51.1 (-0.3)

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
July 2007	81.0	90.6	74.9	12.7%	11.8%	16.9%	4.2%	16.8%
July 2008	53.4	54.6	52.6	7.7%	9.7%	12.8%	2.6%	15.3%
July 2009	64.3	63.3	65.0	11.5%	12.5%	16.6%	4.1%	14.4%
July 2010	63.0	66.0	61.1	9.6%	12.8%	17.4%	2.0%	13.7%
3 Year Difference	-18.0	-24.6	-13.8	-3.1	1.0	0.5	-2.2	-3.1
Highest	81.0 (Jul 07)	90.6 (Jul 07)	74.9 (Jul 07)	12.7% (Jul 07)	16.3% (May 10)	21.0% (Mar 10)	5.0% (Sep 07)	18.0% (Mar 10)
Lowest	51.6 (Oct 08)	49.7 (Oct 08)	49.9 (Jun 08)	7.7% (Jul 08 & Jan 09)	7.4% (Oct 08)	10.3% (Nov 08)	2.0% (Jul 10)	10.9% (Nov 08)

“We have measured New Yorkers’ intent to buy homes since 1999. At two percent, this is the lowest we have ever seen home buying plans. The buys are out there, but despite attractive mortgage rates, a record low number of residents are planning to shop for a new home. The good news this month around the current kitchen table is that food costs are taking a smaller bite out of budgets across nearly every demographic. Gas prices, still well below \$3.00 are up on the worry scale with summer travel but still just below fifty percent,” according to Dr. Lonnstrom.

Gas and Food Price Analysis

Forty-nine percent of all New Yorkers say that current gasoline prices are having a very serious or somewhat serious impact on their financial condition, up two points from last month. Sixty-one 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. Thirty-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 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			
	Jul 2010	Jun 2010	May 2010	Apr 2010	Jul 2010	Jun 2010	May 2010	Apr 2010	Jul 2010	Jun 2010	May 2010	Apr 2010
Republicans	53%	55%	52%	60%	67%	70%	60%	61%	44%	46%	41%	47%
Upstate NY	53%	53%	63%	63%	61%	66%	68%	65%	45%	44%	52%	51%
Lower Income	53%	50%	58%	54%	69%	73%	74%	73%	44%	43%	49%	44%
Under age 55	50%	54%	50%	51%	67%	67%	67%	68%	41%	45%	41%	41%
Men	49%	50%	48%	50%	56%	57%	58%	57%	38%	38%	37%	38%
New York State	49%	47%	51%	49%	61%	65%	63%	63%	39%	39%	42%	40%
Women	48%	46%	54%	50%	66%	72%	67%	69%	41%	40%	46%	42%
Age 55+	47%	44%	52%	49%	57%	63%	61%	60%	39%	35%	42%	39%
Higher Income	46%	47%	45%	50%	54%	58%	54%	55%	35%	37%	34%	39%
Metro NYC	45%	43%	43%	41%	62%	64%	60%	63%	36%	36%	35%	33%
Democrats	43%	44%	48%	42%	59%	66%	62%	66%	35%	35%	38%	35%

The SRI survey of Consumer Confidence was conducted in July 2010 by random telephone calls to 803 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 ± 3.5 points. For more information or comments, please call Dr. Douglas Lonnstrom, SRI’s Founding Director, at 518-783-2362. Survey cross-tabulations and buying plans can be found at www.siena.edu/sri/ccj. 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.