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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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Confidence Creeps Upwards as Weary Consumers Adjust to New Economy
Majority of NY'ers: Worse off than Last Year and Expect Bad Business Conditions Ahead
Buyers Start to See Bargains, Slow to Spend

Loudonville, NY - New York State consumer confidence increased 1.0 points in January, while the nation's confidence increased 2.1 points, according to the latest poll by the Siena (College) Research Institute (SRI). At 58.1, New York's overall consumer confidence is 3.1 points below the nation's* 61.2 confidence level.

January 2009 Consumer Confidence:	The Nation*	New York State	diff. points	New York State	Metro NYC	Upstate NY
Overall	61.2 (2.1)	58.1 (1.0)	-3.1	58.1 (1.0)	58.4 (0.2)	57.1 (2.7)
Current	66.5 (-2.9)	62.2 (3.8)	-4.3	62.2 (3.8)	59.1 (1.1)	66.0 (6.9)
Future	57.8 (5.4)	55.5 (-0.7)	-2.3	55.5 (-0.7)	57.9 (-0.5)	51.4 (0.0)

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

In January, buying plans were up for: *furniture*, 1.5 points to 12.3%. Buying plans were down for *cars/trucks*, 0.7 points to 7.7%; *computers*, 0.8 points to 9.4%; *homes*, 0.3 points to 2.2%; and *major home improvements*, 2.2 points to 11.0%.

“Buoyed by the new administration’s commitment to economic stimulus as well as advertisers’ sales drumbeat, current consumer confidence climbed cautiously this month among increasingly resigned New Yorkers,” according to Dr. Douglas Lonnstrom, professor of statistics and finance at Siena College and SRI Founding Director. “But with two-thirds of state residents continuing to expect difficult business conditions this year, and a majority bracing for five tough years, merchandise may pile up on shelves as unemployment lines lengthen. Buyers are beginning to see attractive products and offers, but most remain too worried about their future to spend.”

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 2009			
(Groups listed in descending order by Overall CCI Rating)			
	Overall	Current	Future
Republicans	62.4 (3.6)	71.3 (8.0)	56.7 (0.7)
Under Age 55	61.1 (4.8)	64.8 (4.9)	58.6 (4.6)
Men	59.6 (1.6)	66.0 (3.8)	55.5 (0.3)
Democrats	59.0 (0.9)	58.4 (0.8)	59.4 (1.0)
Metro NYC	58.4 (0.2)	59.1 (1.1)	57.9 (-0.5)
Higher income	58.2 (0.0)	64.1 (0.0)	54.5 (0.0)
New York State	58.1 (1.0)	62.2 (3.8)	55.5 (-0.7)
Upstate NY	57.1 (2.7)	66.0 (6.9)	51.4 (0.0)
Women	56.5 (0.2)	58.0 (3.0)	55.5 (-1.7)
Lower income	56.0 (0.6)	57.6 (6.4)	55.0 (-3.2)
Age 55+	55.7 (-1.7)	59.9 (3.0)	53.1 (-4.6)

Consumer Confidence and Buying Plans; Summary of Previous 12 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%
Difference	-6.8	-10.6	-0.4	-0.8	-2.3	-6.0	-0.9	-4.4
Highest	64.9 (Jan 08)	72.8 (Jan 08)	60.3 (Feb 08)	10.6% (Apr 08)	14.6% (Mar 08)	18.3% (Jan 08)	4.7% (Aug 08)	17.9% (Apr 08)
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)	2.2% (Jan 09)	10.9% (Nov 08)

Gas and Food Prices Analysis

Forty percent of all New Yorkers say that current gasoline prices are having a very serious or somewhat serious impact on their financial condition down from 43% last month and 78% in July. Sixty-six 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-four percent of state residents say that both gasoline and food prices are having either a somewhat or very serious impact on their finances down from a high of 71% in July.

“Even with gas prices dipping below \$2.00 a gallon for most of January, forty percent of all New Yorkers continue to feel pinched by the pump. The grocery budget has provided even less relief for consumers as two-thirds find prices continuing to cause some degree of hardship. We’re suffering less than during the shock we felt in July, but the daily reality of feeding our family and getting to work amidst steadily disturbing financial news and an uncertain future is wearing on New York consumers hungry for job security and economic opportunities,” according to Dr. Lonnstrom.

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 2009	Dec 2008	Nov 2008	July 2008	Jan 2009	Dec 2008	Nov 2008	July 2008	Jan 2009	Dec 2008	Nov 2008	July 2008
Upstate NY	42%	48%	58%	79%	65%	66%	67%	80%	36%	41%	48%	73%
Lower Income	41%	47%	51%	81%	75%	76%	79%	87%	36%	43%	47%	77%
Under age 55	41%	44%	54%	80%	64%	69%	73%	83%	35%	40%	47%	74%
Women	41%	44%	49%	81%	70%	67%	71%	84%	36%	39%	42%	75%
Republicans	40%	46%	41%	80%	62%	66%	60%	76%	33%	40%	35%	72%
New York State	40%	43%	48%	78%	66%	66%	66%	81%	34%	38%	40%	71%
Men	40%	42%	47%	75%	61%	64%	60%	77%	33%	36%	38%	67%
Age 55+	40%	42%	44%	76%	66%	64%	61%	79%	34%	36%	36%	69%
Metro NYC	40%	41%	43%	77%	66%	66%	65%	81%	33%	36%	36%	69%
Higher Income	40%	40%	44%	76%	61%	60%	59%	76%	33%	34%	35%	67%
Democrats	39%	41%	49%	76%	68%	68%	68%	83%	34%	37%	40%	68%

The SRI survey of Consumer Confidence was conducted in January 2009 by random telephone calls to 627 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 ± 3.9 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/ci