

ZIONS BANK

Press Release

***** FOR IMMEDIATE RELEASE *****

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WASATCH FRONT CONSUMER PRICE INDEX TICKS UPWARD AFTER INCREASE IN TRANSPORTATION PRICES

SALT LAKE CITY, Utah; March 24, 2015 — The Zions Bank Wasatch Front Consumer Price Index (CPI) increased 0.8 percent from January to February on a non-seasonally adjusted basis. The index has increased 0.2 percent since this same time last year. The national Consumer Price Index increased 0.4 percent from January to February and has remained flat over the past twelve months.

Transportation prices drove the increase in the consumer price index this month, triggered primarily by higher car insurance, airfare and vehicle prices. Gasoline prices in Utah were still in decline in the beginning of February, although national prices had already begun to tick upwards. Nationally, gasoline prices inched upward in price for 40 days in a row after their trough on January 26, but these price increases have begun to taper off. The current state average price per gallon of gasoline is \$2.46, while the national average is just below at \$2.42. Gasoline prices in recent months have largely mirrored trends in crude oil futures. Similar to the tapering of gasoline prices nationally, crude oil prices ticked up in February but have dropped again in March. They currently sit at approximately \$55 per barrel.

Recreation prices also increased, ticking up 2.1 percent in February. Recreation prices make up 7 percent of the average Utahn's expenditures and include items such as television subscriptions, pets, sporting goods, and newspapers, among others. The main driver of recreation price increases in February was satellite and cable television.

Medical care prices increased for the third month in a row, jumping as a result of increased prices for both prescription and nonprescription drugs. Prescription drug prices increased most in January after two months of small declines. Nonprescription drugs have just recently begun to trend upwards.

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Food at home prices overall saw a net increase of 0.1 percent from January to February. Several categories declined in price, including produce, citrus fruits and apples. Decreasing food prices are largely due to the effects of lower gasoline prices as well as a strong U.S. dollar that makes imports cheaper for the United States. However, to counterbalance February's decreases in price for several food categories, poultry, meat and cucumbers all registered price increases, contributing to the marginal net increase.

Housing and clothing prices also increased in February. Housing prices increased 0.5 percent as a result of higher hotel and motel prices as well as higher apartment prices. Apartment prices have increased gradually over the past three months. Clothing prices increased only incrementally by 0.2 percent.

Other goods and services, which consists of products like tobacco, hygiene, cosmetics and laundry, was the only category of prices to experience a month-to-month decline in February. The decline stemmed from a decrease in the prices for personal care products, but overall, the decline was a mere 0.1 percent. All other indexes tracked by the Wasatch Front Consumer Price Index remained flat from January to February.

“Gas price increases have tapered off in the past month,” said Scott Anderson, Zions Bank President and CEO. “If the seasonal upward trend continues to be slower than usual this year, then Utahns might have a bit more cash to spend elsewhere, providing a nice boost to other Utah businesses.”

Analysis and data collection for the Zions Bank CPI and the Zions Bank Consumer Attitude Index are provided by the Cicero Group. The Cicero Group is a premier market research firm based in Salt Lake City. The Zions Bank Utah Consumer Attitude Index will be released March 31, 2015.

Zions Bank is Utah's oldest financial institution and is the only local bank with a statewide distribution of branches, operating 100 full-service offices. Zions Bank also operates 25 full-service branches in Idaho. In addition to offering a wide range of traditional banking services, Zions Bank is also a leader in small business lending and has ranked as the No. 1 lender of U.S. Small Business Administration 7(a) loans in Utah for the past 21 consecutive years. Founded in 1873, Zions Bank has been serving the communities of Utah for more than 140 years. Additional information is available at www.zionsbank.com.

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