

ZIONS BANK

Press Release

*** FOR IMMEDIATE RELEASE ***

FOR: ZIONS FIRST NATIONAL BANK
One South Main, Suite 200
Salt Lake City, UT
A. Scott Anderson
President/Chief Executive Officer

Contact: Britnee Johnston
Communications Officer
Tel: (801) 844-7325

Contact: Randy Shumway
Chief Executive Officer
The Cicero Group
Tel: (801) 456-6700

CONSUMER ATTITUDE INDEX DROPS SLIGHTLY FOLLOWING TWO MONTHS OF RECORD HIGHS

SALT LAKE CITY, Utah; July 28, 2015 —The Zions Bank Utah Consumer Attitude Index (CAI) decreased 6.5 points to 105.3 in July. Consumer sentiment regarding the present situation and expectations for the next six months both dropped. The CAI currently sits 0.5 points higher than its level twelve months ago. The national Consumer Confidence Index® (CCI) decreased 8.9 points from June to July and currently sits at 90.9.

The Present Situation Index, the sub-index of the CAI that measures how consumers feel about current economic conditions, decreased for the first time since April. Although confidence in Utah's current economic situation dipped marginally this month, it is still higher than its historical average, having broken its record high in both May and June. The Present Situation Index sits at 116.0 points, down 4.9 points from 120.9 in June. The index is 12.6 points higher than its level twelve months ago. Fifty-six percent of Utahns rate general business conditions in their area as "good" compared to 57 percent last month. Sentiment regarding job availability remained the same from June to July with 46 percent of Utahns saying available jobs in their area are plentiful.

Expectations for the next six months declined for the second month in a row, dropping from 105.8 points last month to 98.2 points in July. The Expectations Index, the sub-index of the CAI that measures what consumers anticipate economic conditions six months from now will look like, is 7.6 points lower than its level twelve months ago. The Expectations Index measures consumer attitudes about business conditions, job availability and household income. The percentage of Utahns who believe business conditions in their area will be better six months from now decreased four points to 26 percent in July. Likewise, 4 percent fewer Utahns believe the number of available jobs in their area will be greater in six months, dropping to 24 percent. Attitudes about total household income were similar to last month. Thirty percent of Utahns think their total household income will be higher in six months than it is today, a decrease of only one point. The majority of Utahns (64 percent) believe they will see no difference in their total household income in the short term.

While consumers generally expect prices to go up, the recent tapering of gasoline price increases has left fewer consumers believing gas prices will increase. Only 70 percent of Utahns expect

ZIONS BANK

Press Release – Page 2

July 28, 2015

gasoline prices to increase over the next twelve months, down from 76 percent in June. The average expected increase is 46 cents per gallon over the course of a year. In contrast, 9 percent of Utahns actually expect gasoline prices to drop in the next year. The average expected drop is 26 cents per gallon. Gasoline prices have begun to decrease, which is usually the trend following a mid-summer peak. Current gasoline prices in the state average \$2.91 per gallon. Utah trails the national average price by about six weeks and is thus slightly more expensive than the national average of \$2.70 per gallon.

Expectations for price increases in other areas of the economy send mixed signals. For example, more Utahns expect prices for consumer goods to increase over the next twelve months—70 percent in July compared to 68 percent in June. All other price and inflation indicators, however, are slightly down from last month. Sixty-two percent of Utahns expect the prices of homes in communities like theirs to increase in the next twelve months, which is still a high percentage but slightly lower than last month's 63 percent. Sixty-four percent of Utahns expect interest rates for borrowing money to increase in the next twelve months, which is down from 66 percent who felt that way last month. Only 34 percent of Utahns expect a \$1,000 investment in their 401(k) to be worth more than \$1,000 a year from now, down eight points from June.

Slightly more members of the Utah workforce are worried about losing a job they wanted to keep during the next two years—9 percent in July, up from 7 percent in June. On that same note, only 73 percent say it is unlikely they will lose their job, which is down from 80 percent in June. Thirty-four percent say they'll be able to maintain their living standards when they retire, down from 41 percent last month.

“Uncertainty regarding inflation and interest rates are impacting Utahns' attitudes,” said Scott Anderson, president and CEO of Zions Bank. “However, low inflation keeps money in the pockets of Utah consumers, allowing them to purchase more of the items and services they need to improve their own living conditions as well as jumpstart the economy.”

Zions Bank provides the CAI as a free resource to the communities of Utah. The monthly CAI summary reports are released at a monthly press conference, coinciding with The Conference Board's national CCI release date. The reports are available online at www.zionsbank.com/cai. Analysis and data collection for the CAI are done by the Cicero Group, a premier market research firm based in Salt Lake City. The August CAI will be released during a press conference at a local business at 10:30 A.M. on August 25, 2015.

Zions Bank is Utah's oldest financial institution and is the only local bank with a statewide distribution of financial centers, operating 100 full-service centers. Zions Bank also operates 25 full-service financial centers 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.