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 Research Conducted By:



## ZIONS BANK CONSUMER ATTITUDE INDEX Utah — February 2016

The Zions Bank Utah Consumer Attitude Index (CAI) increased 0.1 point from 105.7 in January to 105.8 in February. Utah's CAI has decreased 0.8 point over the past 12 months. For comparison, this month's national Consumer Confidence Index® decreased 5.6 points to 92.2 this month.

The Zions Bank Present Situation Index increased 4.9 points to 116.8, compared to the national Present Situation Index, which declined from 116.6 to 112.1. The Zions Bank Expectations Index decreased 3.2 points to 98.4, and the national Expectations Index decreased 6.4 points to 78.9.

The Zions Bank CAI is based on a representative sample of 500 Utah households. The monthly survey is conducted by the Cicero Group and has a confidence interval of +/- 4.38 percent at a 95 percent confidence level. The cutoff date for February's results was Feb. 12. The Utah CAI data is compared to both Utah CAI data and U.S. data from previous months to identify key consumer sentiment trends in the state.

### UTAH CONSUMER ATTITUDE INDEX SUMMARY TABLE

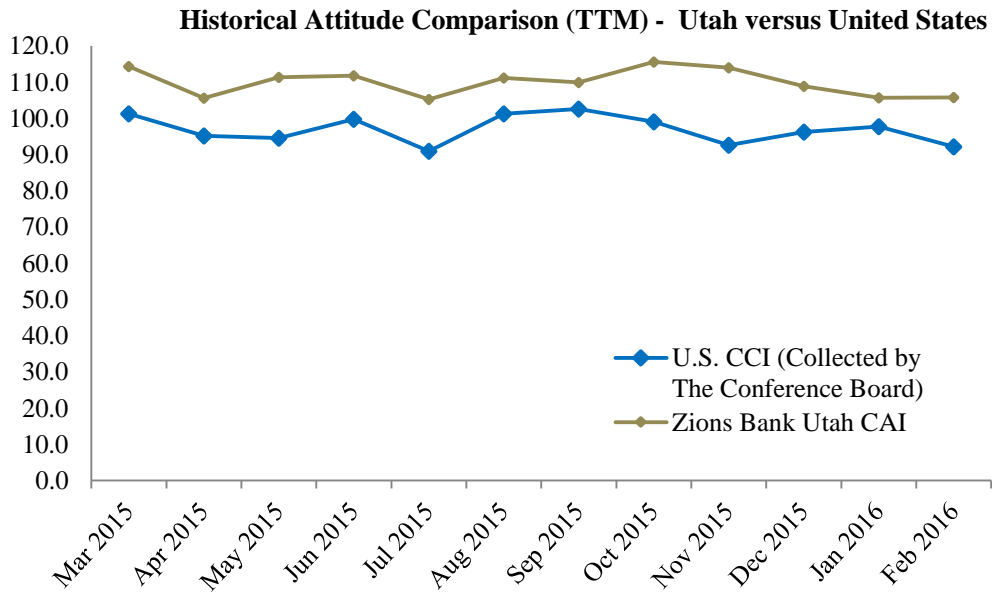
|   | Utah         | U.S.        | Utah Change Jan 2016 to Feb 2016 | U.S. Change Jan 2016 to Feb 2016 | Utah Change Over Last 12 Months |
|---|--------------|-------------|----------------------------------|----------------------------------|---------------------------------|
| <b>Composite Series: Index Numbers, 1985 U.S.=100</b> |              |             |                                  |                                  |                                 |
| <b>Consumer Attitude Index</b>                        | <b>105.8</b> | <b>92.2</b> | <b>+0.1</b>                      | <b>-5.6</b>                      | <b>-0.8</b>                     |
| Present Situation                                     | 116.8        | 112.1       | 4.9                              | -4.5                             | 4.4                             |
| Expectations  | 98.4         | 78.9        | -3.2                             | -6.4                             | -4.2                            |

|  | Utah | Utah Change Dec 2015 to Jan 2016 | Utah Change Over Last 3 Months | Utah Change Over Last 12 Months |
|--|------|----------------------------------|--------------------------------|---------------------------------|
| <b>Appraisal of the Present Situation: Percent</b> |      |                                  |                                |                                 |
| <b>Business Conditions</b>                         |      |                                  |                                |                                 |
| Good   | 54%  | +6 points                        | -7 points                      | -2 points                       |
| Normal   | 38%  | -6 points                        | +5 points                      | +2 points                       |
| Bad  | 8%   | 0 points                         | +2 points                      | No change                       |

| <b>Employment</b> |     |           |           |            |
|-------------------|-----|-----------|-----------|------------|
| Jobs plentiful    | 46% | +5 points | -2 points | +10 points |
| Jobs not so many  | 41% | -1 points | +4 points | -9 points  |
| Jobs hard to get  | 13% | -3 points | -2 points | -1 points  |

## UTAH CONSUMER ATTITUDE INDEX SUMMARY TABLE (CONT.)

| for the Next Six Months: Percent Expectations |     |           |           |           |
|---|-----|-----------|-----------|-----------|
| Business Conditions                           |     |           |           |           |
| Better  | 25% | -5 points | -3 points | -3 points |
| Same  | 67% | +6 points | +3 points | +4 points |
| Worse   | 8%  | -1 points | 0 points  | 0 points  |
| Employment                                    |     |           |           |           |
| More jobs                                     | 24% | -5 points | -3 points | -2 points |
| Same  | 61% | +4 points | +2 points | -3 points |
| Fewer jobs                                    | 16% | +1 point  | +2 points | +5 points |
| Income  |     |           |           |           |
| Increase                                      | 34% | -2 points | -2 points | +4 points |
| Same  | 59% | +4 points | +1 point  | -4 points |
| Decrease                                      | 6%  | -2 points | +1 point  | 0 points  |



## UTAH CONSUMER ATTITUDE SUMMARY TABLE

| Price Expectations  |                          |        |
|---|--------------------------|--------|
| What do you think will happen to the <b>price of homes</b> like yours in your community over the next 12-months?  | Significantly increase   | 7%     |
|   | Slightly increase        | 55%    |
|   | Remain about the same    | 27%    |
|   | Slightly decrease        | 9%     |
|   | Significantly decrease   | 2%     |
| What do you think will happen to the <b>price of gasoline</b> over the next 12-months?  | Go Up                    | 67%    |
|   | Stay the same            | 18%    |
|   | Go down                  | 12%    |
|   | Don't know               | 4%     |
| About how many cents per gallon do you think gasoline prices will <b>increase</b> during the next 12 months?  | Number responding        | 333    |
|   | Mean                     | \$0.66 |
| About how many cents per gallon do you think gasoline prices will <b>decrease</b> during the next 12 months?  | Number responding        | 60     |
|   | Mean                     | \$0.36 |
| Government Performance Appraisal  |                          |        |
| Considering the economic policy of the <b>federal government</b> , that is the steps taken to improve the overall economy of the U.S., would you say the federal government is doing a: | Good job                 | 13%    |
|   | Only fair                | 35%    |
|   | Poor job                 | 48%    |
|   | Don't know               | 4%     |
| Considering the economic policy of the <b>state government</b> , that is the steps taken to improve the overall economy in Utah, would you say the State of Utah government is doing a: | Good job                 | 40%    |
|   | Only fair                | 46%    |
|   | Poor job                 | 11%    |
|   | Don't know               | 3%     |
| Inflation Expectations  |                          |        |
| In your opinion, what do you think will happen to <b>interest rates</b> for borrowing money during the next 12 months?  | Go up                    | 66%    |
|   | Stay the same            | 27%    |
|   | Go down                  | 4%     |
|   | Don't know               | 3%     |
| During the next 12-months, do you think that <b>prices for consumer</b> goods in general will:  | Go up                    | 62%    |
|   | Stay the same            | 36%    |
|   | Go down                  | 1%     |
|   | Don't know               | 1%     |
| How likely is it that a \$1,000 investment in your <b>401(k)</b> will be worth more than \$1,000 one year from now?   | Mean                     | 2.92   |
|   | 1 Very Likely            | 11%    |
|   | 2 Likely                 | 22%    |
|   | 3 About 50/50 either way | 40%    |
|   | 4 Unlikely               | 19%    |
|   | 5 Very Unlikely          | 8%     |
| In your opinion, how likely is it that the <b>U.S. economy</b> will improve during the next 12 months?  | Mean                     | 3.29   |
|   | 1 Very Likely            | 5%     |
|   | 2 Likely                 | 18%    |
|   | 3 About 50/50 either way | 37%    |
|   | 4 Unlikely               | 30%    |
|   | 5 Very Unlikely          | 10%    |
| Personal Finance  |                          |        |
| How likely is it that your total <b>household income</b> will increase by more than the rate of inflation during the next two years?  | Mean                     | 3.15   |
|   | 1 Very Likely            | 9%     |
|   | 2 Likely                 | 19%    |
|   | 3 About 50/50 either way | 31%    |
|   | 4 Unlikely               | 31%    |
|   | 5 Very Unlikely          | 11%    |

|   |                   |                        |             |
|---|-------------------|------------------------|-------------|
| How likely are you to purchase a <b>major household item</b> (e.g. furniture, refrigerator, stove, television, etc.) in the next 60 days? | Mean              |                        | <b>3.01</b> |
|   | 1                 | Very likely            | <b>14%</b>  |
|   | 2                 | Likely                 | <b>15%</b>  |
|   | 3                 | Undecided              | <b>32%</b>  |
|   | 4                 | Unlikely               | <b>34%</b>  |
|   | 5                 | Very Unlikely          | <b>5%</b>   |
| During the next two years, how likely is it that you will <b>lose a job</b> that you wanted to keep? (currently unemployed excluded)      | Number responding |                        | <b>396</b>  |
|   | Mean              |                        | <b>4.10</b> |
|   | 1                 | Very Likely            | <b>2%</b>   |
|   | 2                 | Likely                 | <b>3%</b>   |
|   | 3                 | About 50/50 either way | <b>17%</b>  |
|   | 4                 | Unlikely               | <b>38%</b>  |
| How likely is it that you will be able to retire and <b>maintain your living standards?</b> (currently retired excluded)                  | Number responding |                        | <b>438</b>  |
|   | Mean              |                        | <b>3.06</b> |
|   | 1                 | Very Likely            | <b>14%</b>  |
|   | 2                 | Likely                 | <b>24%</b>  |
|   | 3                 | About 50/50 either way | <b>23%</b>  |
|   | 4                 | Unlikely               | <b>19%</b>  |
|   | 5                 | Very Unlikely          | <b>20%</b>  |

## ZIONS BANK CONSUMER ATTITUDE SUMMARY

### Prices:

The percentage of Utahns who think prices of homes like theirs will increase in the next year remained the same, at 62 percent.

The percentage of consumers who expect gasoline prices to increase over the next 12 months decreased 2 percent from January to February, falling to 67 percent.

### Personal Finance:

Expectations that household income will increase more than inflation in the next two years rose 4 percentage points to 28 percent in February.

Confidence regarding job security increased in February. Seventy-eight percent believe it is unlikely they will lose a job they want to keep within the next two years—up from 72 percent in January. Five percent think it is likely they will lose their job, which is down from 10 percent last month.

### Inflation and Economic Growth Expectations:

The percentage of consumers who expect \$1,000 invested in their 401(k) to be worth more than \$1,000 one year from now remained unchanged at 32 percent this month. The number of Utahns who believe interest rates for borrowing money will increase in the next 12 months decreased from 72 percent to 66 percent this month. Expectations for consumer goods price increases are down 6 percent; 62 percent of Utahns believe consumer goods prices will go up.

### Government Performance:

Thirteen percent of Utahns think the federal government is doing a good job with its economic policy, which is up from 11 percent in January. The percentage of Utahns who think the state government is doing a good job fell 1 percentage point from 41 percent in January to 40 percent in February.