

# 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: Heidi Prokop  
Communications Manager  
Tel: (801) 844-7915

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

### **UTAHNS MORE CONFIDENT ABOUT PRESENT ECONOMY Consumer Attitude Index Rises in Utah in August**

SALT LAKE CITY, Utah; August 30, 2016 —The Zions Bank Utah Consumer Attitude Index (CAI) increased 1.1 points to 111.4 in August. The increase resulted from greater confidence in the present economy, which more than offset a slight decline in confidence in the future economic situation. The overall CAI currently sits 0.3 points higher than its level 12 months ago. In comparison, the national Consumer Confidence Index<sup>®</sup> increased 4.4 points from July to August and currently sits at 101.1.

The Present Situation Index, the sub-index of the CAI that measures how consumers feel about current economic conditions, increased 5.9 points since last month and is 6.5 points higher than it was at this time last year. Utahns believe the general business environment is becoming more favorable, with 57 percent of them rating business conditions in their area as good — a 3 percent increase from last year. In another category of the Present Situation Index, confidence in the labor market remains fairly steady. Eleven percent of Utahns describe available jobs in their area as hard to get, remaining essentially unchanged from last month.

Expectations for the next six months decreased 2.1 points in August due to a slightly more negative outlook on future business conditions. The percentage of Utahns who think business conditions will be worse in six months increased from 8 percent to 11 percent in August. Forty-one percent of Utahns believe the U.S. economy is unlikely to improve during the next 12 months, a 9 percent increase since last month. Meanwhile, the outlook for the labor market has remained fairly steady. Fifteen percent of Utahns think there will be fewer jobs available in their area six months from now, remaining mostly unchanged since last month. Utahns are slightly more confident in their job security, as 79 percent believe they are unlikely to lose a job they want to keep, compared to 78 percent last month.

Utahns are slightly less confident in the future market value of personal retirement savings, with 38 percent of consumers believing \$1,000 invested in their 401(k) is likely to be worth more than \$1,000 a year from now — a 6 percent decline from last month. Furthermore, fewer consumers predict they will make major expenditures in the near future, as 28 percent of Utahns are likely to purchase a major household item in the next 60 days — a 3 percent decline since last month.

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Gasoline prices, which fell through most of June and July, have increased slightly in late August, spurred by a weakening dollar. Refinery output has also been lower than expected due in part to recent flooding in Louisiana and a refinery fire in Texas. The average gasoline price in Utah stands at \$2.28, while the national average stands at \$2.22 per gallon. Most Utah consumers expect gasoline prices to rise over the next 12 months: 63 percent say gasoline prices will increase by an average of 54 cents per gallon. Only 7 percent of Utahns expect gasoline prices to go down over the next year, and the average estimated decline is 24 cents. Oil prices decreased through most of July before rising in August. Current Brent crude oil futures are trading for about \$49 per barrel, compared to \$42 per barrel a month ago.

Although inflation has slowed in recent months, 62 percent of Utahns expect prices for consumer goods in general to rise during the next 12 months, compared to 61 percent last month. More Utahns expect interest rates to rise, as well, with 58 percent of Utahns believing interest rates for borrowing money will increase in the next 12 months, compared to 53 percent in July.

Satisfaction with the steps taken by the federal government to improve the overall economy of the U.S. decreased slightly, with 51 percent of Utahns indicating belief that the federal government is doing a poor job compared to 45 percent last month. Approval of the state government is relatively higher, with 44 percent of Utahns saying the state is doing a good job improving the overall state economy, remaining virtually unchanged from last month's figure.

Utahns are slightly more confident in their housing investments compared to last month, as 66 percent of residents believe the price of homes in their communities will increase over the next year, up from 65 percent last month. Additionally, 36 percent of Utahns believe it is likely they will be able to retire and maintain their living standards, a 1 percent increase since July.

“With unemployment falling and job creation on the rise, Utah’s economy is firing on all cylinders,” said Scott Anderson, president and CEO of Zions Bank. “Though, understandably, Utahns retain a bit of uncertainty about the near future with the election on the horizon, they remain optimistic about the current state of our region’s robust economic growth.”

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. Analysis and data collection for the CAI are done by the Cicero Group, a premier market research firm based in Salt Lake City. The September CAI will be released during a press conference at a local business at 10:30 a.m. on September 27, 2016.

Zions Bank, a division of ZB, N.A., 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 24 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 22 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](http://www.zionsbank.com).