

2009-Q1 - Confidence Index

Index Evaluation:

The overall confidence index dropped to 57.4 in 2009-Q1 from 83.6 in 2008-Q1. The drop was most influenced by the decline in the current conditions index which fell from 83.2 in 2008-Q1 to a record low of 38.8 in 2009-Q1. The future expectations index saw a much smaller decline over the same period, dropping from 84.0 to 80.2.

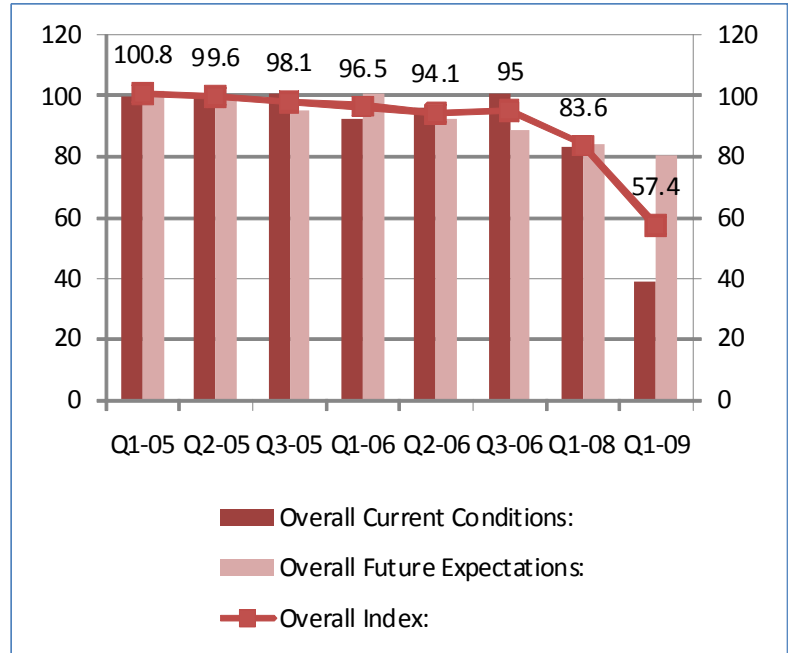


Table of Results:

	Q1-05	Q2-05	Q3-05	Q1-06	Q2-06	Q3-06	Q1-08	Q1-09
Overall Index:	100.8	99.6	98.1	96.5	94.1	95.0	83.6	57.4
Current Conditions:								
Overall economic conditions	99.8	101.5	97.4	94.6	95.8	96.8	66.4	21.9
Overall financial position	98.1	99.6	102.3	93.9	98.6	102.5	89.2	45.7
Profitability	100.5	97.4	102.8	93.8	97.9	104.5	88.9	46.5
Employment	100.6	104.2	101.8	85.7	91.2	99.4	86.1	47.4
Overall Current Conditions:	99.7	100.3	101.1	92.1	96.2	100.9	83.2	38.8
Future Expectations:								
Overall economic conditions	103.0	99.0	92.5	100.1	95.5	83.4	62.5	78.2
Overall financial position	101.1	100.0	98.2	99.4	96.0	92.7	88.8	81.1
Profitability	101.0	98.7	98.6	100.0	91.4	89.8	89.9	80.6
Employment	101.7	97.6	89.6	104.1	86.3	88.2	95.3	81.4
Overall Future Expectations:	101.6	98.9	95.1	100.6	92.3	89.0	84.0	80.2

Current Conditions

Current conditions saw declines across all of its component indexes. The largest drop was seen in evaluations of current economic conditions which fell 44.5 points from 96.8 in 2008 to 21.9 in 2009-Q1. The other component indexes saw similar declines.

Future Expectations

While the overall future expectations index only dropped 3.8 points indicating that firms are generally more enthusiastic about the next six months than current conditions. However, there were mixed results for its component indexes. Future expectations for overall economic conditions rose significantly (15.7 points) to 78.2 for 2009-Q1. Other indices dropped between 7.7 points and 13.9 points.

Employment:

The current employment index was down significantly, likely due both to seasonal employment adjustments and in response to the economic downturn. Current employment dropped 38.7 points to 47.4.

Notably, future employment expectations were also down significantly despite normally seeing seasonal increases in Q1. Future employment expectations dropped 13.9 points to a record low of 81.4.

Capital Expenditures:

Significantly fewer firms indicated having made capital expenditures over the past six months than in prior surveys. Traditionally the proportion of firms who had made at least some capital expenditures had hovered around 52% to 53%. In 2009-Q1, however, only 44.0% of firms indicated having made capital expenditures.

Future expectations, conversely remained similar to past surveys with just over half (50.8%) of firms expecting to make some or significant capital expenditures over the next six months. As with past surveys, the majority of these (45.9%) indicated that they would make some capital expenditures and 4.9% indicated they expected to make significant capital expenditures.