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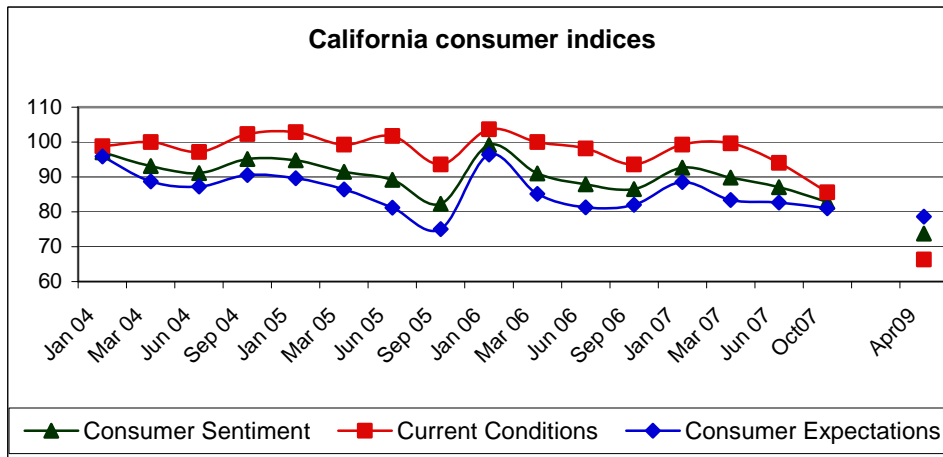
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**CALIFORNIA CONSUMER CONFIDENCE HIGHER THAN NATION AS A WHOLE  
 RECESSION EXPECTED TO LAST MORE THAN A YEAR  
 SILICON VALLEY MORE OPTIMISTIC THAN REST OF STATE**

SAN JOSE, APRIL 29 – California consumer confidence – while at historically low levels for the state – remains higher than the nation as a whole, a new statewide survey by the Survey and Policy Research Institute at San Jose State University shows.

The overall Index of Consumer Sentiment, which combines assessments of current conditions and future expectations for personal finances and business conditions for the country as a whole, now stands at 73.8 among California residents. Index numbers below 100 indicate that negative perceptions outweigh positive. This represents a nine-point drop from 82.8 in October 2007, when SPRI last measured statewide consumer confidence.

The current negativity is driven mainly by the dismal ratings of current economic conditions (CEC Index) at 66.3, nearly 16 points lower than October 2007. Expectations for the future, as measured by the Index of Consumer Expectations (ICE) have not dropped as dramatically, falling just two points from 81.0 in October 2007 to 78.6 in April.



NOTE: The Index of Consumer Sentiment (ICS) combines consumer perceptions about Current Economic Conditions (CEC) and the Index of Consumer Expectations (ICE).  
 Index numbers = % positive responses - % negative responses + 100.

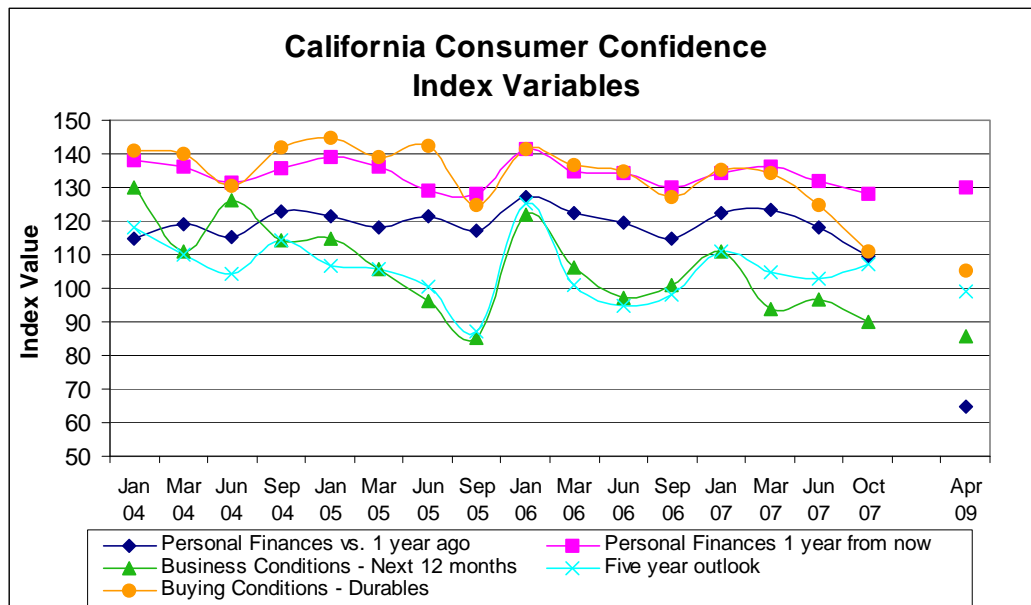
## FUTURE EXPECTATIONS RELATIVELY OPTIMISTIC

When asked about their current financial situation compared to one year ago, 52% of Californians said they were worse off today, and just 18% said they were better off, while 27% volunteered that they were doing about the same. Looking ahead, 42% of Californians said they expected to be better off a year from now, 40% said they expected their finances to be about the same, and just 12% thought they would be worse off.

With regard to business conditions in the country as a whole, 46% of Californians said they expected bad times ahead in the next 12 months, while 32% said they expected good times. Long-term expectations were slightly more optimistic, with 41% saying they thought the country would see good economic times during the next five years, and 42% saying they expected to see widespread unemployment and depression.

Current buying conditions were judged to be good by 41% of Californians, while 36% thought it was a bad time to buy major household items.

"Californians are definitely realistic in their negative assessments of the current economic recession, but they are showing cautious optimism about the future" said Survey and Policy Research Institute Research Director Dr. Melinda Jackson, "Business conditions are still expected to be shaky over the next year, but when it comes to personal finances we have seen no drop in expectations."



*Index numbers = % positive responses - % negative responses + 100.*

"Consumers summarize vast amounts of information about their particular circumstances that no computer could possibly know or tabulate," commented San Jose State University economics professor Lydia Ortega, "With consumer spending accounting for two-thirds of total GDP, consumer confidence is a crucial indicator of where the economy is headed."

## SERIOUS RECESSION EXPECTED TO LAST MORE THAN A YEAR

SPRI also asked respondents if they believed California is in an economic recession – 91% said yes. Of those, 59% said they think it is in a serious recession, 21% said moderate recession, and 10% said mild recession.

When asked how long they think the economic recession will last, 9% of Californians said less than one year, 46% said 1-2 years, 29% said 3-5 years, and 13% said more than 5 years.

## ONE IN TWO CALIFORNIANS FEARS JOB LOSS IN THE NEXT YEAR

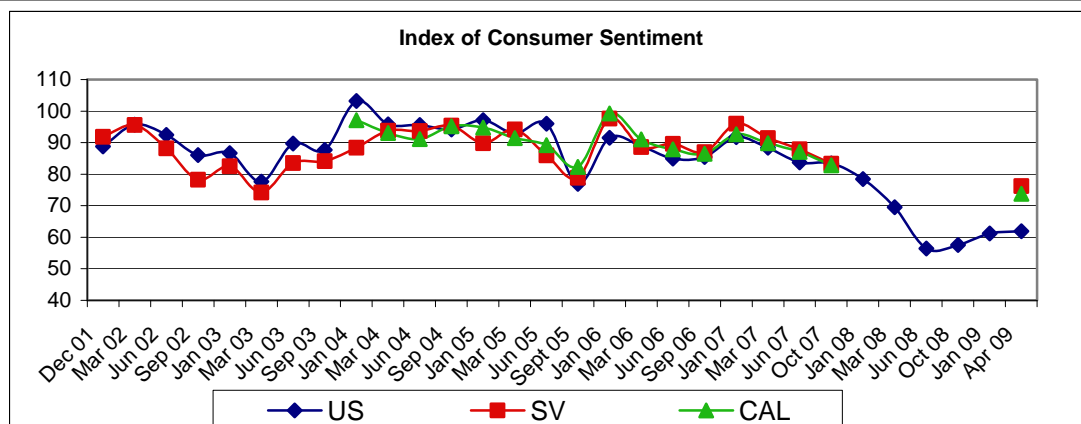
Half of Californians said that they are concerned that they or someone in their family will lose their job in the next year. Another 9% reported that they have already lost their job. Just thirty-eight percent of Californians surveyed said that they were not concerned about someone in their household losing a job.

## CALIFORNIA AND SILICON VALLEY CONSUMER CONFIDENCE HIGHER THAN US

Despite the gloomy picture in the state, California consumer confidence remains higher than in the country as a whole. The national Index of Consumer Sentiment, while up slightly from recent months, stood at just 61.9 in April, as measured by the University of Michigan's Survey of Consumers. The same Index of Consumer Sentiment stood at 73.8 among Californians, 11.9 points higher than the nation as a whole.

As has historically been the case, Silicon Valley residents are more optimistic than the rest of the state, at least with regard to future expectations. Among Silicon Valley residents, the overall Index of Consumer Sentiment stood at 76.2 in April, compared to 73.8 for California as a whole. In Silicon Valley, assessments of current economic conditions were slightly lower (64.8) than the state as a whole (66.3), but future expectations were more than four index points higher, at 83.4 in Silicon Valley versus 78.6 statewide.

Index	Consumer Sentiment (ICS)		Current Economic Conditions (CEC)		Consumer Expectations (ICE)	
	Oct 07	April 09	Oct 07	April 09	Oct 07	April 09
Silicon Valley	83.3	76.2	87.9	64.8	80.3	83.4
CA	82.8	73.8	82.2	66.3	81.0	78.6
US	83.4	61.9	97.9	66.6	74.1	58.9



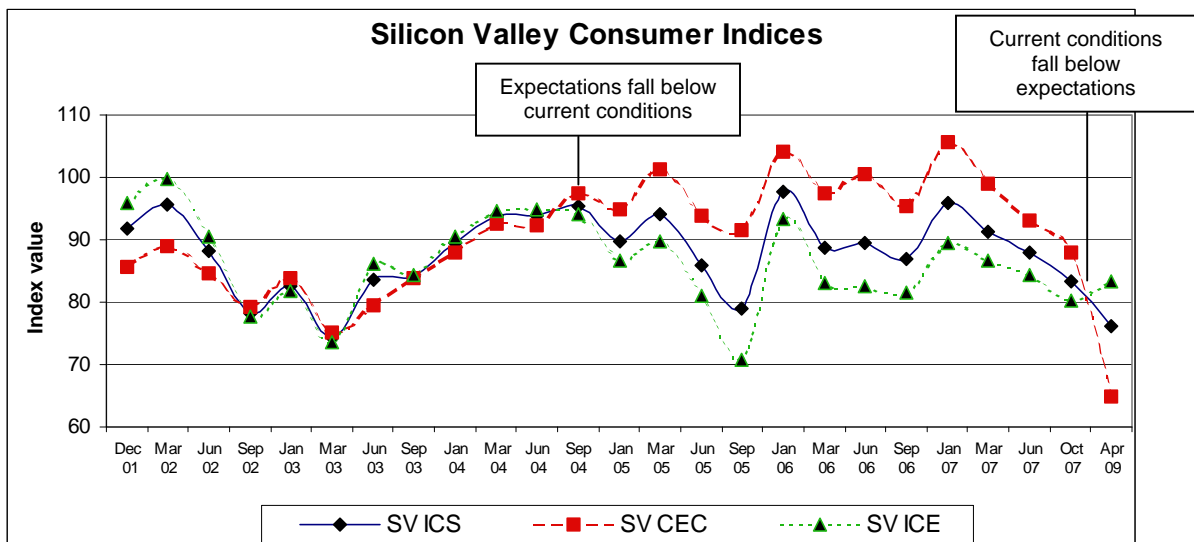
Index numbers = % positive responses - % negative responses + 100  
 US index numbers from University of Michigan's Survey of Consumers

## SILICON VALLEY OUTLOOK

Among Silicon Valley residents, assessments of current economic conditions have fallen below future expectations, for the first time since early 2004. In September 2004, future expectations among those in Silicon Valley fell below assessments of current economic conditions, a situation that persisted until the current economic recession. Now, in April 2009, the Current Economic Conditions (CEC) index at 64.8 has fallen more than 18 points below the Index of Consumer Expectations (ICE) at 83.4, among Silicon Valley residents.

Future expectations, while remaining more negative than positive, have not dropped as a result of the current recession. In fact, the Index of Consumer Expectations (ICE) among Silicon Valley residents stood slightly higher at 83.4 in April 2009 than in October 2007 when it was last measured by SPRI at 80.3.

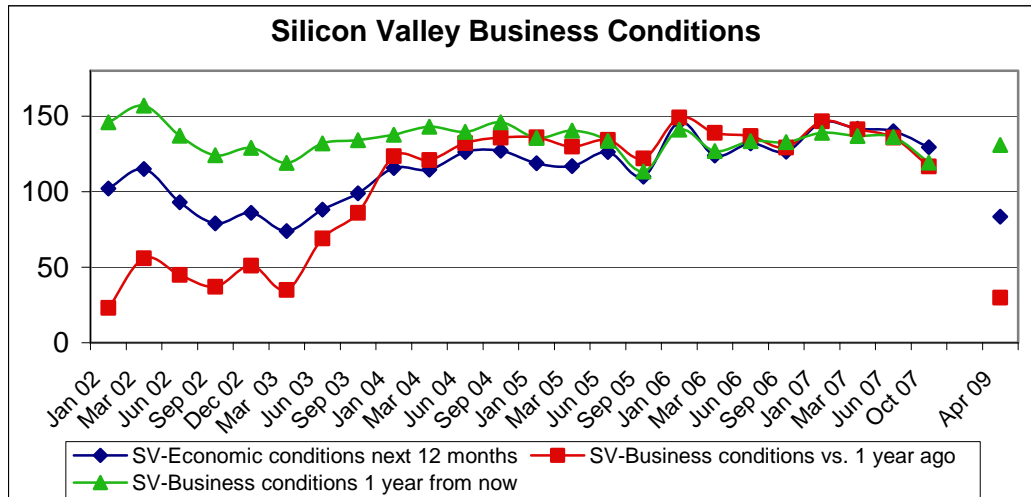
"The Silicon Valley results reflect the entrepreneurial spirit of this region," commented San Jose State University economics professor Lydia Ortega, "This region attracts a great many people who are risk-takers by nature, and optimistic as a result. It is possible that these risk takers can pull the California economy out of its housing bubble doldrums. But we are at a tipping point in that legislation, taxation, and regulations may push entrepreneurs out of the state or back to their home country."



## BUSINESS CONDITIONS IN SILICON VALLEY

Silicon Valley residents were also asked about business conditions in Silicon Valley specifically. Current business conditions in Silicon Valley were seen as worse compared to a year ago by 78% of residents, and 43% expected the bad economic times to continue over the next 12 months. Another 26% of Silicon Valley residents thought that the Valley's economy would improve over the next 12 months, while 22% thought that it would be mixed good and bad.

Looking ahead to one year from now, expectations are higher, with 46% of Silicon Valley residents saying they expect business conditions in the Valley to be better than now, 34% expecting them to be about the same, and just 15% saying they thought they would be worse.



#### ABOUT THE SURVEY

The Survey and Policy Research Institute at San José State University conducted the Spring 2009 SPRI Omnibus Survey March 30-April 10, 2009. This telephone survey of 408 California adults was conducted in English and Spanish, and contained questions on several different topics including consumer attitudes, political issues, and environmental attitudes. The survey also included an oversample of 230 Silicon Valley residents, to allow for separate analysis.

Telephone numbers were randomly generated by computer to ensure that both listed and unlisted numbers were included, from all landline exchanges in California. Telephone numbers in the survey sample were called up to four times on different days at different times to increase the likelihood of reaching eligible households.

The sampling error for the total sample is plus or minus 4.85 percentage points at the 95% confidence level. For the subsample of 230 Silicon Valley residents, the margin of error is plus or minus 6.46 percentage points at the 95% confidence level. Results were statistically weighted by race and gender to match recent U.S. Census estimates of the California and Silicon Valley populations.

Silicon Valley is defined as all of Santa Clara and San Mateo Counties, plus Fremont, Newark, and Union City in Alameda County, and Scotts Valley in Santa Cruz County. This follows the geographic definition of Silicon Valley used by Joint Venture Silicon Valley in their annual Silicon Valley Index.

## CONSUMER CONFIDENCE SURVEY QUESTIONS

1. We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?

Better off	18%
Same (volunteered)	27
Worse off	53
Don't know	2

2. Now looking ahead - do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?

Better off	42%
Same as now	40
Worse off	12
Don't know	6

3. Now turning to business conditions in the country as a whole - do you think that during the next 12 months we'll have good times financially, or bad times, or what?

Good Times	32%
Good and Bad (vol.)	16
Bad Times	46
Don't know	5

4. Looking ahead, which would you say is more likely: that in the country as a whole we'll have continuous good times during the next five years or so, or that we will have periods of widespread unemployment or depression, or what?

Continuous good times	41%
Stay about the same (vol.)	12
Widespread unemployment/depression	42
Don't know	5

5. About the big things people buy for their homes - such as furniture, a refrigerator, stove, television, and things like that. Generally speaking do you think now is a good or bad time for people to buy major household items?

Good	41%
Good and Bad (vol.)	15
Bad	36
Don't know	9

9. Would you say that California is in an economic recession, or not? *[If yes: Do you think it is in a serious, a moderate, or a mild recession?]*

Yes, serious recession	59%
Yes, moderate recession	21
Yes, mild recession	10
No	8
Don't know	2

10. How long do you think the economic recession will last? *[if yes to Q9]*

Less than one year	9%
1-2 years	46
3-5 years	29
More than 5 years	13
Don't know	3

11. Are you concerned that you or someone in your family will lose their job in the next year, or not? *[If yes: Are you very concerned or somewhat concerned about this?]*

Yes, very concerned	30%
Yes, somewhat concerned	19
No	38
Have lost job already (vol.)	9
Don't know	3

*[Q12-14 asked of Silicon Valley residents only]*

12. Thinking now about Silicon Valley specifically, do you think that during the next 12 months we'll have good times financially, or bad times, or what?

Good	26%
Good and bad (vol.)	22
Bad	43
Don't know	9

13. Would you say that at the present time, business conditions in Silicon Valley are better or worse than they were a year ago?

Better Now	8%
Same (vol.)	6
Worse Now	78
Don't know	6

14. How about a year from now? Do you expect that business conditions in Silicon Valley will be better or worse than they are at present, or just about the same?

Better than now	43%
Same	32
Worse than now	14
Don't know	4