

Consumers are more optimistic about their family incomes and they express an increased enthusiasm for spending more on clothes and shoes, dining out, vacations, household items, computers and motor vehicles.

"People anticipate that their personal finances will improve in the coming year," said Dr. Miriam Gasko Donoho, professor of marketing and decision sciences in the College of Business at San Jose State University. "And they expect to spend a bit more than they did in the past three months on apparel, dining out, travel, major household items and even computers and new homes," she added.

While consumer outlook is far from rosy, in June, Silicon Valley consumers expressed reduced pessimism and increased optimism about both future economic conditions and business conditions in the country.

In response to questions about future financial conditions in the country, similar fractions of consumers forecast good times (38.5%) and bad times (34.5%). This is the first time over the past year that optimistic consumers constituted a plurality on this issue. In March, more than twice as many consumers voiced a pessimistic view (51.9%) as an optimistic view (23.4%) about the future of financial conditions in the country.

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?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
Good Times	51.6	57.7	39.0	26.9	32.5	23.4	38.5
Good and/or Bad	8.5	17.9	18.1	16.5	14.4	14.1	19.1
Bad Times	29.0	21.6	32.1	45.5	42.5	51.9	34.5
Don't Know	10.8	7.0	10.7	10.6	9.4	10.3	7.7
Refused	.1	.2	.1	.4	.1	.3	.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

At the same time, however, consumers continue to give low marks to the government for its handling of the economy, and their approval of President Bush's job as president has slipped even further, to 35% in June from 40% in March. Moreover, when asked to evaluate President Bush's handling of the economy, only 26% of Silicon Valley consumers approve compared to 62% who disapprove.

Bush overall job approval

	Mar 03	Jun 03
Approve	40.1	34.7
Disapprove	48.1	51.6
Don't know	8.3	11.0
Refused	3.5	2.7
Total	100.0	100.0

Bush approval on economy

	Jun 03
Approve	26.1
Disapprove	62.2
Don't know	9.4
Refused	2.3
Total	100.0

SPRI surveyed 912 consumers June 23-27. A random sample of homes was called throughout Santa Clara County and in adjacent zip codes that comprise Silicon Valley as defined by Joint Venture Silicon Valley. Surveys were conducted in English, Spanish and Vietnamese. Interviewers asked to speak to the youngest male at home or, if no male was available, the oldest female. Results were weighted to correspond with 2000 U.S. Census population data for gender in the surveyed counties and zip codes. The resulting sample included 458 men, 454 women, 476 whites, 165 Asians, 177 Hispanics and 28 blacks. The survey has a margin of error of plus or minus 3.2%. To avoid sequence bias, the survey replicated the University of Michigan's Survey of Consumers and then added questions of specific interest to Silicon Valley.

Sponsors of the Silicon Valley Consumer Confidence Survey are the City of San Jose and the San Jose Mercury News. In addition, the San Jose Silicon Valley Chamber of Commerce is the marketing sponsor for the survey.

SILICON VALLEY CONSUMER CONFIDENCE SURVEY JUNE 2003

A2. 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?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
Better Now	21.8	23.1	26.7	25.7	24.3	23.5	25.8
Same	41.5	43.3	33.6	27.4	31.1	30.6	32.2
Worse	35.2	32.6	36.4	43.4	41.0	43.0	39.4
Don't Know	1.4	.7	2.9	1.9	3.4	2.4	2.1
Refused	.1	.2	.4	1.6	.2	.5	.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A3. 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?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
Better Off	38.4	44.7	37.6	36.2	37.2	32.2	38.7
Same As Now	44.3	40.6	47.2	42.1	42.6	42.7	41.9
Worse Off	7.3	7.2	7.6	12.7	11.5	14.5	10.8
Don't Know	10.0	7.1	7.4	8.8	8.4	10.4	8.4
Refused	.0	.3	.1	.2	.3	.3	.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A4. 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?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
Good Times	51.6	57.7	39.0	26.9	32.5	23.4	38.5
Good and/or Bad	8.5	17.9	18.1	16.5	14.4	14.1	19.1
Bad Times	29.0	21.6	32.1	45.5	42.5	51.9	34.5
Don't Know	10.8	7.0	10.7	10.6	9.4	10.3	7.7
Refused	.1	.2	.1	.4	.1	.3	.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A5. Would you say that at the present time business conditions in the country are better or worse than they were a year ago?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
Better Now	7.1	23.5	15.7	12.2	20.3	10.0	26.9
About The Same	5.7	11.1	8.9	7.2	10.0	7.9	12.2
Worse Now	85.6	63.1	71.7	78.1	67.1	79.2	57.7
Don't Know	1.7	2.3	3.7	2.5	2.6	6.7	3.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A6. During the last few months, have you heard of any favorable or unfavorable changes in business conditions?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
Yes, Favorable	16.8	38.0	15.9	13.2	19.8	13.4	26.2
No, Haven't Heard	19.2	24.3	27.8	27.6	30.0	26.6	33.7
Yes, Unfavorable	53.0	33.5	50.2	53.3	45.3	53.0	33.9
Don't Know	10.6	4.0	6.0	4.8	4.8	6.7	6.0
Refused	.4	.2	.1	.1	.1	.3	.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A12. During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
Go Up	28.9	60.6	46.0	37.6	41.5	46.6	40.1
Stay The Same	48.6	32.7	41.4	43.4	44.6	40.9	46.9
Go Down	16.9	4.4	9.2	14.1	10.9	9.7	9.8
Don't Know	5.5	2.2	3.4	4.4	2.7	2.4	3.2
Refused	.1	.1	.0	.4	.3	.3	.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A15. During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
Higher	49.8	54.9	52.6	50.4	52.1	38.6	43.3
About The Same	33.7	32.1	30.4	28.1	28.7	35.5	35.4
Lower	13.7	11.5	13.8	17.2	16.0	22.7	18.1
Don't Know	2.8	1.4	3.0	3.7	3.2	2.7	2.9
Refused	.0	.1	.2	.6	.0	.4	.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A16. Generally speaking, do you think now is a good time or a bad time to buy a house?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
Good	68.5	66.7	53.9	58.7	64.3	60.1	69.7
Good and/or Bad	5.2	7.8	9.4	6.6	4.6	6.7	4.5
Bad	21.0	21.1	30.5	29.4	26.1	27.8	19.7
Don't Know	5.2	4.4	6.1	4.9	4.9	5.4	5.6
Refused	.1	.1	.2	.4	.1	.1	.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A17. What about selling a house -- generally speaking, do you think now is a good time or a bad time to sell a house?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
Good	19.7	41.7	50.3	42.9	34.4	32.3	39.4
Good and/or Bad	4.2	10.0	8.1	7.0	5.7	7.3	5.7
Bad	69.1	43.3	33.8	43.9	51.4	53.3	45.2
Don't Know	6.7	4.9	7.6	6.1	8.4	6.6	9.6
Refused	.3	.0	.2	.2	.0	.5	.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A18. 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 time or a bad time for people to buy major household items?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
Good	57.8	60.5	54.2	50.3	55.5	47.0	48.5
Good And/Or Bad	8.2	13.1	10.6	11.1	10.2	11.7	10.3
Bad	23.9	20.3	26.0	28.7	22.2	34.8	29.5
Don't Know	9.9	5.9	8.8	9.4	7.8	6.2	11.5
Refused	.2	.1	.4	.5	.0	.3	.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A24. Do you expect that you will spend more, about the same, or less in the next three months on vacation travel?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
More	21.1	31.4	35.8	21.1	21.0	28.0	31.0
About the same	33.4	40.0	33.1	35.3	31.4	37.2	38.9
Less	37.0	24.2	27.1	38.7	42.5	30.9	26.3
Don't Know	6.7	3.6	3.3	3.3	4.1	3.5	3.4
Refused	1.8	.8	.7	.7	.8	.4	.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A24b. If you are planning to fly with a commercial airline, which airport are you most likely to use: San Jose, San Francisco, Oakland or another?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
San Jose	61.9	64.9	63.2	62.4	67.6	64.9	62.2
San Francisco	19.7	19.2	21.2	22.1	21.1	23.3	23.2
Oakland	5.5	5.7	4.7	4.4	5.5	4.8	4.6
Not flying commercial	8.5	7.7	8.1	6.1	3.3	4.0	5.4
Don't Know	3.3	2.3	2.7	4.1	2.2	2.8	4.3
Refused	1.1	.2	.1	.9	.2	.2	.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A25. During the past three months, how much would you estimate you spent for yourself (and your family) each month on clothes and shoes?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
<\$100	25.1	31.2	26.5	28.9	27.9	33.7	36.0
>\$100 but <\$200	21.3	28.5	26.5	22.7	24.7	25.8	23.6
>\$200 but <\$300	18.4	17.9	20.1	14.5	16.6	17.3	15.8
>\$300 but <\$400	8.4	7.4	8.9	10.2	9.8	6.8	6.2
>\$400	19.5	11.3	13.5	16.3	16.3	10.5	12.2
Don't Know	6.0	2.4	3.2	5.2	4.0	4.7	5.3
Refused	1.2	1.3	1.4	2.2	.8	1.2	1.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A26. Do you expect that you will spend more, about the same or less per month in the next three on clothes and shoes?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
More	10.5	18.7	17.4	20.2	10.9	17.2	16.7
About the same	45.0	58.1	52.6	46.5	43.9	54.5	57.3
Less	40.8	21.1	27.2	29.7	42.5	26.0	21.4
Don't Know	2.8	1.4	2.0	2.4	2.2	1.8	4.0
Refused	.9	.7	.9	1.2	.5	.5	.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A27. During the past three months, how much would you estimate you spent for yourself (and your family) each week on dining out?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
<\$50	40.0	36.1	36.9	42.0	40.9	42.6	44.8
>\$50 but <\$100	26.8	32.0	33.0	25.7	30.6	29.5	26.8
>\$100 but <\$150	12.5	12.5	12.4	11.4	12.8	10.8	12.5
>\$150 but <\$200	6.0	6.4	6.0	6.0	5.0	5.8	4.8
>\$200	9.6	10.9	9.3	9.5	7.7	7.7	6.0
Don't Know	3.4	1.1	1.3	3.5	2.3	2.8	3.7
Refused	1.7	1.0	1.1	1.9	.6	.8	1.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A35. Do you expect in the next three months that you will buy a new car or truck?

	Dec 01	Mar 02	Jun 02	Sep 02	Jan 03	Mar 03	Jun 03
Yes	4.9	5.7	8.0	8.3	7.2	5.4	6.5
Maybe	7.6	6.9	7.0	5.8	4.5	7.4	6.6
No	86.9	86.6	84.4	84.5	87.8	86.7	86.4
Don't Know	.3	.5	.4	.6	.3	.3	.4
Refused	.3	.2	.2	.7	.2	.2	.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

A91 Do you approve or disapprove of the way George W. Bush is handling his job as president?

	Mar 03	Jun 03
Approve	40.1	34.7
Disapprove	48.1	51.6
Don't know	8.3	11.0
Refused	3.5	2.7
Total	100.0	100.0

A93 Do you approve or disapprove of the way George W. Bush is handling the economy?

	Jun 03
Approve	26.1
Disapprove	62.2
Don't know	9.4
Refused	2.3
Total	100.0

RELEASED EARLIER:

A93 Do you approve or disapprove of the way George W. Bush is handling the situation with Iraq?

	Mar 03	Jun 03
Approve	44.9	38.0
Disapprove	45.0	50.6
Don't know	7.2	9.5
Refused	2.9	2.0
Total	100.0	100.0

A94 Some people say the Bush administration overstated the threat that Iraq posed in order to justify going to war. Others say the Bush administration has demonstrated that Iraq posed a threat that required immediate military action. Which view is closer to your own?

	Jun 03
Bush overstated the threat from Iraq	52.7
Bush demonstrated that Iraq was a threat	31.1
Don't know	12.7
Refused	3.5
Total	100.0

A95 Do you believe it's important for the United States to find weapons of mass destruction in Iraq?

	Jun 03
Yes	59.2
No	30.8
US already found WMD	.5
Don't know	6.3
Refused	3.1
Total	100.0

A96 If the U.S. does not find weapons of mass destruction in Iraq, would you conclude that the Bush administration was misinformed by the CIA and other intelligence agencies, or that the Bush administration lied to justify going to war against Iraq? Or would you reach some other conclusion?

	Jun 03
Bush administration was misinformed	19.0
Bush administration lied to justify war	34.6
Some other conclusion	31.7
Don't know	10.9
Refused	3.4
Total	