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Press Release  
**Direct inquiries to:**  
 Jonathan King  
 Northern Economics  
 (907) 274-5600  
[Jonathan.King@norecon.com](mailto:Jonathan.King@norecon.com)

## Alaskans' Confidence in their Personal Financial Security Slips in the Third Quarter

The number of Alaskans describing their local and state economies as “Good or Very Good” edged slightly upward in the 3<sup>rd</sup> quarter of 2010, changing direction from earlier results. In a continuing trend, however, Alaskans continued to feel less secure about their family’s current financial status.

### **Financial Security**

Continuing a multi-quarter trend, more Alaskans are describing their financial position as less secure compared to the prior quarters of the survey. Respondents who thought their family’s household financial security was “Good or Very Good” (46.6 percent) decreased by 3.6 percentage points from the 2<sup>nd</sup> quarter of 2010—dropping below 50 percent for the first time since the Alaska Confidence Review began in the 1<sup>st</sup> quarter of 2010. Those respondents who described their household financial security as “Bad or Very Bad” increased by 2.2 percentage points, climbing to 23.7 percent.

**Table 1. Current Description of Financial Security**

Category (%)	QTR1	QTR2	QTR3	Last Qtr. Change
Good or Very Good	61.4	50.2	46.6	-3.6
Neutral	23.1	28.3	29.1	0.8
Bad or Very Bad	15.4	21.5	23.7	2.2

While *confidence* in their financial security fell during the 3<sup>rd</sup> quarter, most respondents (62.3 percent) still observed some stability about their situation, describing their family’s financial security as staying the same, rather than getting better or worse.

**Table 2. Family's Financial Security Getting Better or Worse?**

Category (%)	QTR1	QTR2	QTR3	Last Qtr. Change
Getting Better	26.3	22.1	21.4	-0.7
Staying the Same	62.1	60.6	62.3	1.7
Getting Worse	11.5	17.3	16.3	-1.0

Not surprisingly, those at the higher end of the income ladder felt more financially secure; over half of the respondents with household incomes of \$60,000 or above felt that their financial security was good compared with those at the lower end of the income bracket. However, they too remained flat regarding their perception of their financial security.

Younger people ages 18-24 were more like to say that their personal finances were improving (38.9 percent), while respondents aged 35-44 were more likely (58.7 percent) to feel secure with their current financial situation.

Confidence in financial security varied across regions: 56.2 percent of respondents in Southeast Alaska described their financial situations as “Good or Very Good,” while only 36.1 percent of rural Alaska respondents said the same.

### **Confidence in Community Economies**

Similar to the perceptions of their own financial security, respondents described their local economies as staying the same over the last quarter. The percentage of Alaskans describing their community’s economy in positive terms, however, edged up slightly during the 3<sup>rd</sup> quarter. Those respondents describing their local economies as “Good or Very Good” (37.2 percent) rose 1.7 percentage points from the 2<sup>nd</sup> quarter.

**Table 3. Current Description of Community Economies**

<b>Category (%)</b>	<b>QTR1</b>	<b>QTR2</b>	<b>QTR3</b>	<b>Last Qtr. Change</b>
Good or Very Good	38.8	35.5	37.2	1.7
Neutral	45.8	46.8	44.6	-2.2
Bad or Very Bad	14.9	17.6	17.0	-0.6

The number of respondents (20.7 percent) who believed their local economies were getting worse fell 4.1 percentage points over the last quarter. Rather, respondents (65.9 percent) perceived their local economies as staying the same, up 4.9 percentage points from the 2<sup>nd</sup> quarter.

**Table 4. Community Economies Getting Better or Worse?**

<b>Category (%)</b>	<b>QTR1</b>	<b>QTR2</b>	<b>QTR3</b>	<b>Last Qtr. Change</b>
Getting Better	16.8	14.2	13.3	-0.9
Staying the Same	66.5	61.0	65.9	4.9
Getting Worse	16.7	24.8	20.7	-4.1

Respondents living in Anchorage tended to describe their local economies as staying the same or getting better (90.3 percent), a much higher portion than rural Alaskans who said the same (67.7 percent).

### **Confidence in the State's Economy**

Corresponding with Alaskans' view of their local economies, the number of respondents describing the state economy as good or better rose to a yearly high, even while expectations for the future remained flat. Respondents who described the state's economy as "Good or Very Good" (35.3 percent), moved up 2.8 percentage points from the second quarter; the numbers of respondents who were neutral (46.4 percent) and negative (16.1 percent) about the economy both fell in the 3<sup>rd</sup> quarter.

**Table 5. Current Description of Alaska's State Economy**

<b>Category ( percent)</b>	<b>QTR1</b>	<b>QTR2</b>	<b>QTR3</b>	<b>Last Qtr. Change</b>
Good or Very Good	32.4	32.5	35.3	2.8
Neutral	48.0	50.7	46.4	-4.3
Bad or Very Bad	16.5	16.7	16.1	-0.6

As in past quarters, a majority of respondents said that they thought Alaska's economy was staying the same. This quarter saw a small gain in the segment that thought the state's economy was getting better and a small reduction in those who thought it was getting worse.

**Table 6. Alaska State Economy Getting Better or Worse?**

<b>Category ( percent)</b>	<b>QTR1</b>	<b>QTR2</b>	<b>QTR3</b>	<b>Last Qtr. Change</b>
Getting Better	14.5	14.3	15.4	1.1
Staying the Same	66.2	57.9	60.6	2.7
Getting Worse	19.2	27.7	24.0	-3.7

The data supporting Northern Economics' Alaska Confidence Review are generated via The Alaska Survey, a joint venture between Ivan Moore Research and Northwest Strategies. This quarterly statewide survey of more than 750 Alaskans is the first regularly conducted survey in Alaska to include a substantial sub-sample of respondents who only use cell phones.

*For more information regarding the Alaska Confidence Review please contact Jonathan King, Northern Economics, Inc. at 907-274-5600.*

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