



## Consumer confidence jumps in San Diego County

Locals are still pessimistic about the current economy, but more optimistic about the future

BY [DEAN CALBREATH](#) UNION-TRIBUNE

ORIGINALLY PUBLISHED OCTOBER 13, 2010 AT 1:15 P.M., UPDATED OCTOBER 13, 2010 AT 2:24 P.M.

Consumer confidence in San Diego County <  
surged in September, although it remains  
below where it was last year, according to a survey released yesterday by *The San Diego Union-Tribune*.

Although the outlook on the current economy was virtually unchanged, consumers were much more optimistic about the future.

In fact, local consumers are more optimistic than they have been since September 2009, when economists were proclaiming that the recession was ending.

### In the most recent poll:

35 percent of respondents said business conditions will be better in six months, compared to 21 percent who say they will be worse.

35 percent said the job outlook will be better, compared to 15 percent who said it will be worse.

23 percent predicted their income would be higher, compared to 9 percent who said it would be lower. The combined number of those who think their income will be higher or about the same was the highest it has been since January.

Economists say it is hard to judge consumer confidence by a single month of polling, since the number can swing wildly. For instance, the local poll dropped 17 percent in August before rising 15 percent in September.

Instead, economists generally average out the monthly numbers to find a long-term trend. And the long-term trend seems to be a holding pattern: well above last year's lows, which were the lowest on record for consumer confidence not only locally but statewide, but well below the historical averages.

At 68.1 points, San Diego's consumer confidence is roughly halfway between last year's low of 34.9 points and the historical benchmark of 100 points.

"We've bounced off big from the bottom, but consumers are sort of in a wait and see mode," said Alan Gin, economist at the University of San Diego. "I think we need big improvements in the job market before

consumers take the next step to make a significant move towards the 100 mark."

Even so, several other polls released in the past several days also hint at cautious but growing optimism among consumers and businesses, both in California and nationwide.

**The American Express Small Business Monitor shows that California businesses are feeling slightly more optimistic than the national average.**

54 percent of the California small businesses polled say they have a positive outlook about the economy and business prospects, compared to 50 percent nationwide.

85 percent said they plan to expand their businesses versus a national average of 77 percent.

56 percent said they expect higher sales versus 39 percent nationwide.

Despite the optimism, 60 percent continue to say they are stressed by the economy, but that's less than the national average of 68 percent.

**A different poll of small businesses by Guardian Life Insurance also finds growing optimism in California:**

52 percent of small businesses project that they will do better in 2010 than they did in 2009, roughly even with the national average of 51 percent. In comparison, only 32 percent felt the same way last year. Nationally, only 17 percent say they expect lower revenues, compared to 41 percent last year.

48 percent say they are confidently expecting to expand their businesses in the next 12 to 24 months, compared to a 45 percent national average.

**Find this article at:**

<http://www.signonsandiego.com/news/2010/oct/13/consumer-confidence-jumps-san-diego-county>

Check the box to include the list of links referenced in the article.

