

Acadiana CFO Roundtable
Moody College of Business Sentiment Index
for Q1 2013

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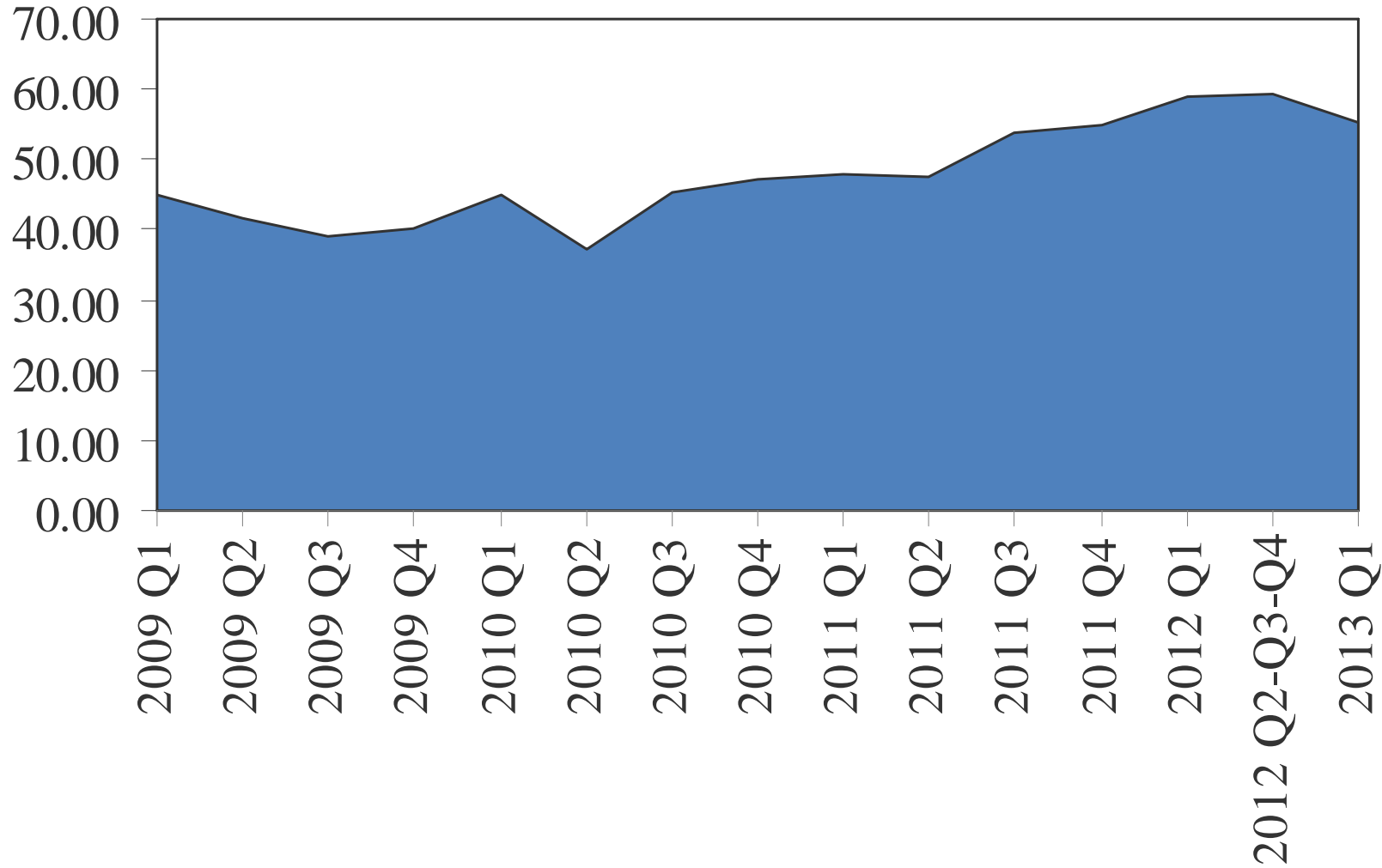
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May 2013

Results

- Index is **55.2 out of 100**. This is better than “normal.” A reading of 50 is supposed to be about normal.
- This reading is down by 4.0 points from last quarter.
- There were 19 Acadiana business leaders surveyed. The survey was conducted online in April and May 2013.

The CFO Roundtable Business Sentiment Index peaked last quarter.



12-Question CFO Roundtable Survey

- Business conditions in Acadiana (2 questions)
- Business conditions for one's firm (2 questions)
- Costs and suppliers (2 questions)
- Price v. cost margins (1 question)
- Inventories (1 question)
- Availability and the cost of borrowing (2 questions)
- Firm description (2 questions)

The responses to the first 10 questions are used to calculate the Business Sentiment Index...

First 10 questions make up the Business Sentiment Index.

- 0-to-100 scale.
 - 100 = high level of economic activity (boom)
 - 0 = the economy goes bust!
- 50 is a “typical” reading...If all possible responses are evenly distributed among the choices, you will get a reading of 50.
- A 50 is normal.
- The points are based on the percent of responses to a particular question choice.
- The index was 59.26 in Q4 2013. The latest index reading was 55.21.

Question 1: Business conditions in Acadiana are improving.

Select the choice that best describes your expectations regarding the trend in business conditions facing the Acadiana economy. Economic conditions in Acadiana are _____.

Answer Options	Response Frequency	Response Count	Index Points	Contribution to the Index
a. improving	68.4%	13	10	6.84
b. staying the same	31.6%	6	5	1.58
c. becoming more challenging	0.0%	0	0	0.00
<i>answered question</i>		19	Total	8.42
<i>skipped question</i>		0	% Max	84.2%

Question 2: Business conditions in Acadiana are better than normal.

Select the choice that best describes the current state of economic conditions facing the Acadiana economy. Economic conditions for Acadiana are _____.

Answer Options	Response Frequency	Response Count	Index Points	Contribution to the Index
a. better than normal	33.3%	6	12	4.00
b. normal	61.1%	11	6	3.67
c. worse than normal	5.6%	1	0	0.00
<i>answered question</i>		18	Total	7.67
<i>skipped question</i>		1	% Max	63.9%

Question 3: Some firms see improving conditions while others see conditions deteriorating.

Select the choice that best describes your expectations regarding the trend in business conditions facing your firm. Business conditions for my firm are _____.

Answer Options	Response Frequency	Response Count	Index Points	Contribution to the Index
a. Improving	26.3%	5	10	2.63
b. staying the same	47.4%	9	5	2.37
c. becoming more challenging	26.3%	5	0	0.00
<i>answered question</i>		19	Total	5.00
<i>skipped question</i>		0	% Max	50.0%

Question 4: Current business conditions are below normal for some firms.

Select the choice that best describes the current state of business conditions facing your firm. Business conditions for my firm are _____.				
Answer Options	Response Frequency	Response Count	Index Points	Contribution to the Index
a. better than normal	21.1%	4	12	2.53
b. normal	47.4%	9	6	2.84
c. worse than normal	31.6%	6	0	0.00
<i>answered question</i>		19	Total	5.37
<i>skipped question</i>		0	% Max	44.7%

Question 5: For most firms, intermediate goods prices are rising by less than 5 percent.

The prices of the goods and services my firm buys are				
Answer Options	Response Frequency	Response Count	Index Points	Contribution to the Index
a. increasing by more than 10 percent per year.	0.0%	0	0	0.00
b. increasing by 5-to-10 percent per year.	47.4%	9	1	0.47
c. increasing by more than 1 percent per year but less than 5 percent per year.	47.4%	9	2	0.95
d. increasing by less than 1 percent per year or are decreasing in price.	5.3%	1	3	0.16
<i>answered question</i>		19	Total	1.58
<i>skipped question</i>		0	% Max	52.6%

Question 6: Suppliers are no tougher to find for most firms.

Complete the following statement. Over the last year it				
Answer Options	Response Frequency	Response Count	Index Points	Contribution to the Index
a. has become more difficult to find the suppliers of the goods and services essential to my business.	15.8%	3	0	0.00
b. is no more or less difficult to find the suppliers of the goods and services essential to my business.	78.9%	15	1	0.79
c. is easier to find the suppliers of the goods and services essential to my business.	5.3%	1	2	0.11
<i>answered question</i>		19	Total	0.89
<i>skipped question</i>		0	% Max	44.7%

Question 7: Margins are steady for more than half of the respondent's firms.

The margin between the prices of the goods or services we sell and the costs of producing those goods or services are for the most part _____.				
Answer Options	Response Frequency	Response Count	Index Points	Contribution to the Index
a. increasing	0.0%	0	12	0.00
b. steady	62.5%	10	6	3.75
c. decreasing	37.5%	6	0	0.00
<i>answered question</i>		16	Total	3.75
<i>skipped question</i>		3	% Max	31.3%

Question 8: Inventories are rising or steady for most firms.

Due to unexpected changes in demand for my firm's products, the following best describes the change in inventories at my firm.				
Answer Options	Percent Contribution	Response Count	Index Points	Contribution to the Index
a. Inventory levels are increasing.	33.3%	1	0	0.00
b. Inventory levels are steady.	66.7%	2	6	4.00
c. Inventory levels are declining.	0.0%	0	12	0.00
d. This statement is not applicable to my firm.	0.0%	15	0	0.00
<i>answered question</i>		18	Total	4.00
<i>skipped question</i>		1	% Max	33.3%

Not applicable responses do not contribute to the index.

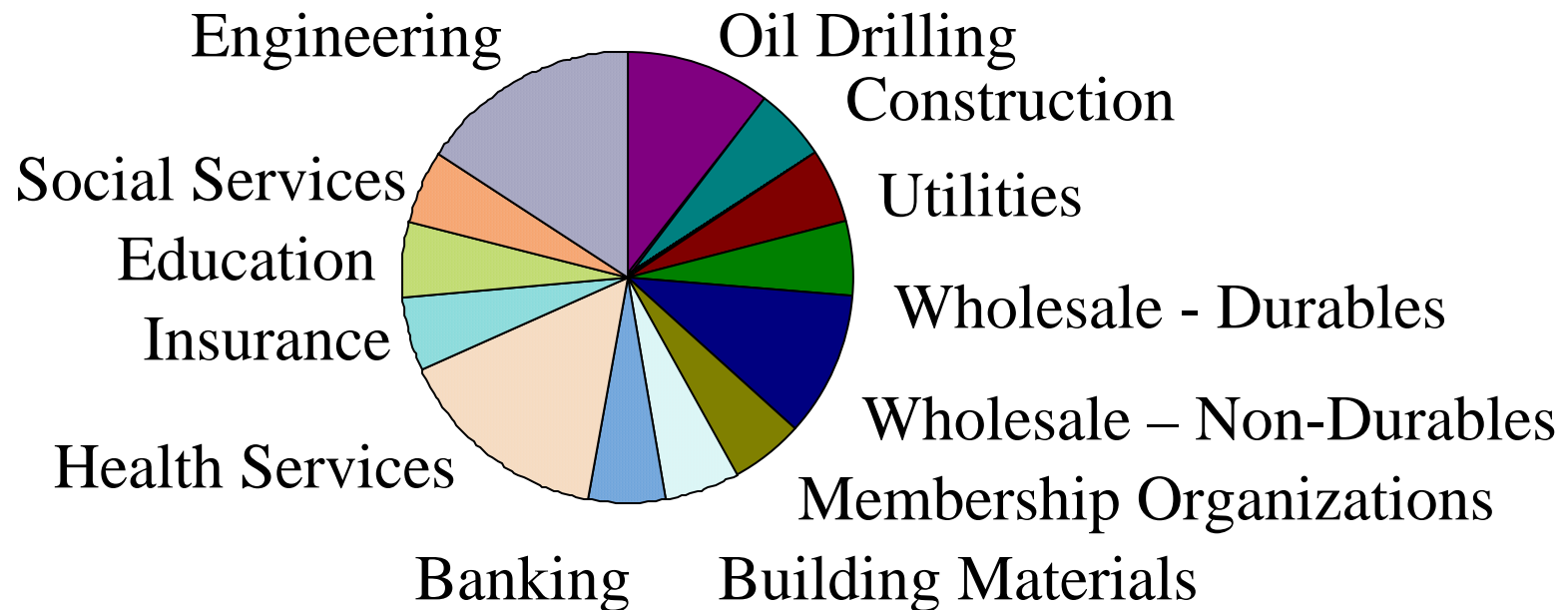
Question 9: Credit is widely available.

It has become harder for my firm to borrow money over the last twelve months.				
Answer Options	Response Frequency	Response Count	Index Points	Contribution to the Index
a. True	6.7%	1	0	0.00
b. False	93.3%	14	11	10.27
<i>answered question</i>		15	Total	10.27
<i>skipped question</i>		4	% Max	93.3%

Question 10: Borrowing costs are steady or declining for most firms.

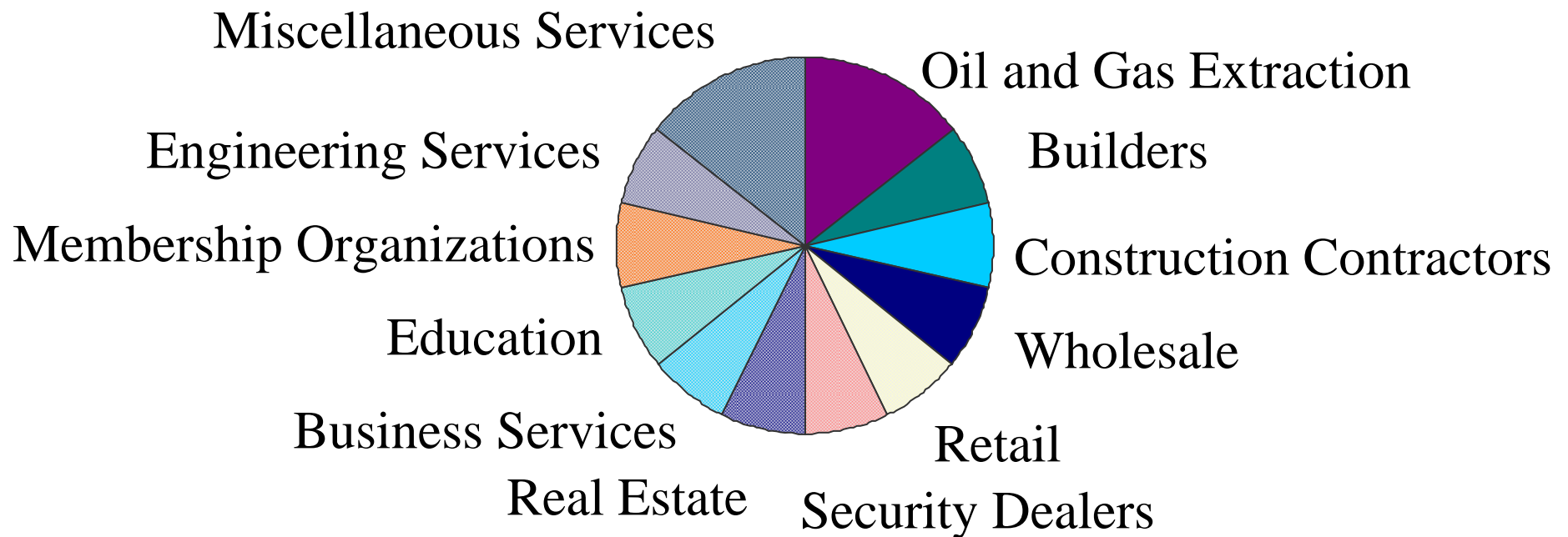
The interest rate on new borrowing over the last twelve months for my firm has _____.				
Answer Options	Response Frequency	Response Count	Index Points	Contribution to the Index
a. increased by more than 2 percent	0.0%	0	0	0.00
b. increased by & 0.5-to-2 percent	13.3%	2	4	0.53
c. not increased or decreased by more than & 0.5 percent	66.7%	10	8	5.33
d. decreased by & 0.5-to-2 percent	20.0%	3	12	2.40
e. decreased by more than 2 percent	0.0%	0	16	0.00
<i>answered question</i>		15	Total	8.27
<i>skipped question</i>		4	% Max	51.7%

Question 11: Primary line of business of respondents



There were 19 responses to this question.

Question 12: Secondary line of business of respondents



There were 11 responses to this question.