

Acadiana CFO Roundtable Moody College of Business Sentiment Index for Q1 2014

Linus Wilson

Associate Professor of Finance

University of Louisiana at Lafayette

linuswilson@louisiana.edu

www.linuswilson.com

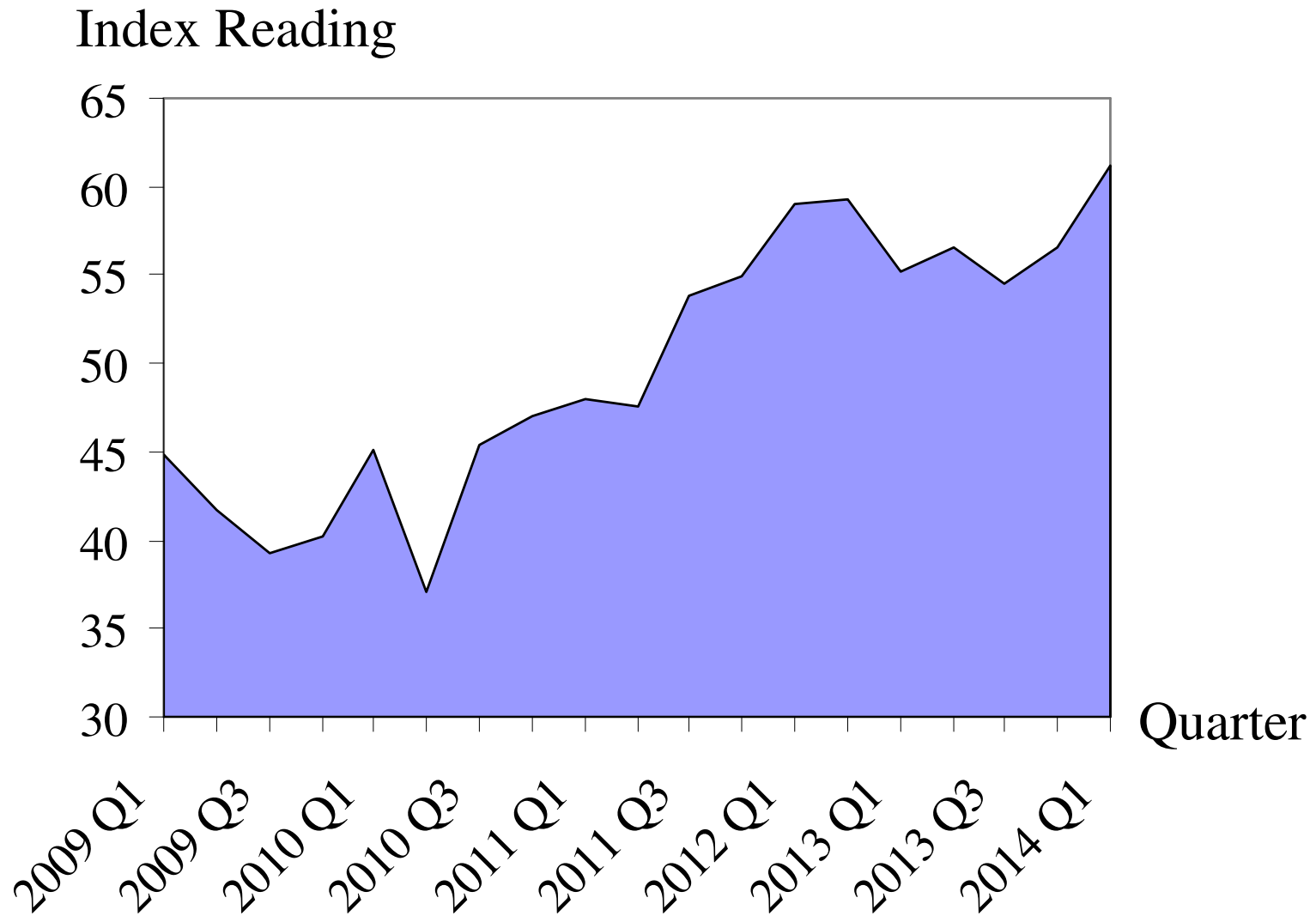
(337) 482-6209

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Results

- Index is **61.1 out of 100**. This is better than “normal.” A reading of 50 is supposed to be about normal.
- This reading is up 4.5 points from last quarter.
- There were 14 Acadiana business leaders surveyed. The survey was conducted online in May 2014.

The sentiment index hit a new high in Q1 2014.



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.

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...

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	57.1%	8	10	5.71
b. staying the same	35.7%	5	5	1.79
c. becoming more challenging	7.1%	1	0	0.00
<i>answered question</i>		14	Total	7.50
<i>skipped question</i>		0	% Max	75.0%

Question 2: Business conditions in Acadiana are normal or 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	35.7%	5	12	4.29
b. normal	64.3%	9	6	3.86
c. worse than normal	0.0%	0	0	0.00
<i>answered question</i>		14	Total	8.14
<i>skipped question</i>		0	% Max	67.9%

Question 3: Trends in business conditions for respondents' are mostly steady or improving.

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	35.7%	5	10	3.57
b. staying the same	57.1%	8	5	2.86
c. becoming more challenging	7.1%	1	0	0.00
<i>answered question</i>		14	Total	6.43
<i>skipped question</i>		0	% Max	64.3%

Question 4: Current business conditions are better than 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	42.9%	6	12	5.14
b. normal	50.0%	7	6	3.00
c. worse than normal	7.1%	1	0	0.00
<i>answered question</i>		14	Total	8.14
<i>skipped question</i>		0	% Max	67.9%

Question 5: For most firms, intermediate goods prices are rising.

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.	42.9%	6	1	0.43
c. increasing by more than 1 percent per year but less than 5 percent per year.	50.0%	7	2	1.00
d. increasing by less than 1 percent per year or are decreasing in price.	7.1%	1	3	0.21
<i>answered question</i>		14	Total	1.64
<i>skipped question</i>		0	% Max	54.8%

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.	7.7%	1	0	0.00
b. is no more or less difficult to find the suppliers of the goods and services essential to my business.	84.6%	11	1	0.85
c. is easier to find the suppliers of the goods and services essential to my business.	7.7%	1	2	0.15
<i>answered question</i>		13	Total	1.00
<i>skipped question</i>		1	% Max	50.0%

Question 7: Margins are shrinking for nearly 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	8.3%	1	12	1.00
b. steady	50.0%	6	6	3.00
c. decreasing	41.7%	5	0	0.00
<i>answered question</i>		12	Total	4.00
<i>skipped question</i>		2	% Max	33.3%

Question 8: Inventories are steady.

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.	14.3%	1	0	0.00
b. Inventory levels are steady.	71.4%	5	6	4.29
c. Inventory levels are declining.	14.3%	1	12	1.71
d. This statement is not applicable to my firm.	0.0%	6	0	0.00
<i>answered question</i>		13	Total	6.00
<i>skipped question</i>		1	% Max	50.0%

Not applicable responses do not contribute to the index.

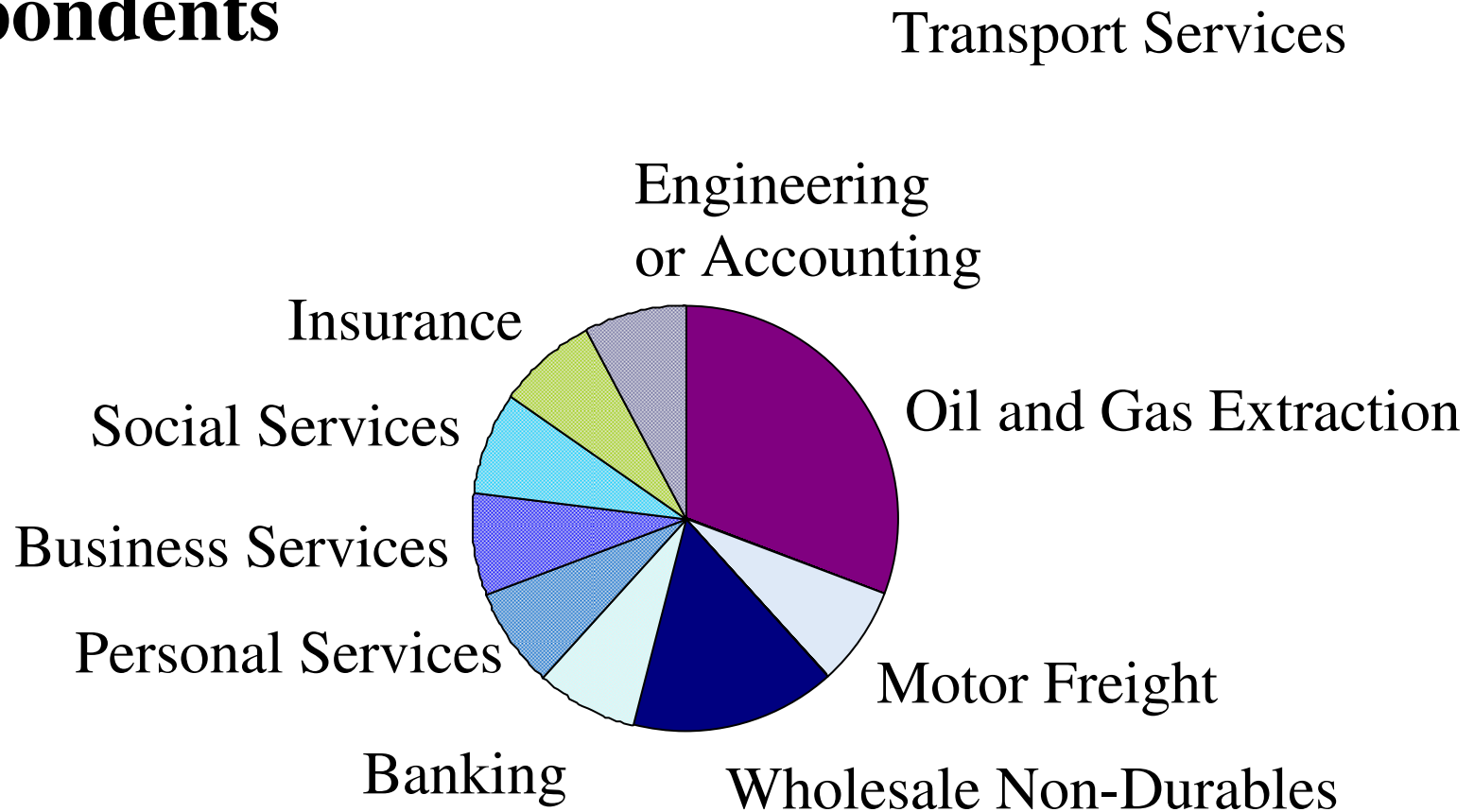
Question 9: Credit is no harder to obtain for all respondents.

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	0.0%	0	0	0.00
b. False	100.0%	11	11	11.00
<i>answered question</i>		11	Total	11.00
<i>skipped question</i>		3	% Max	100.0%

Question 10: Borrowing costs are steady for most firms.

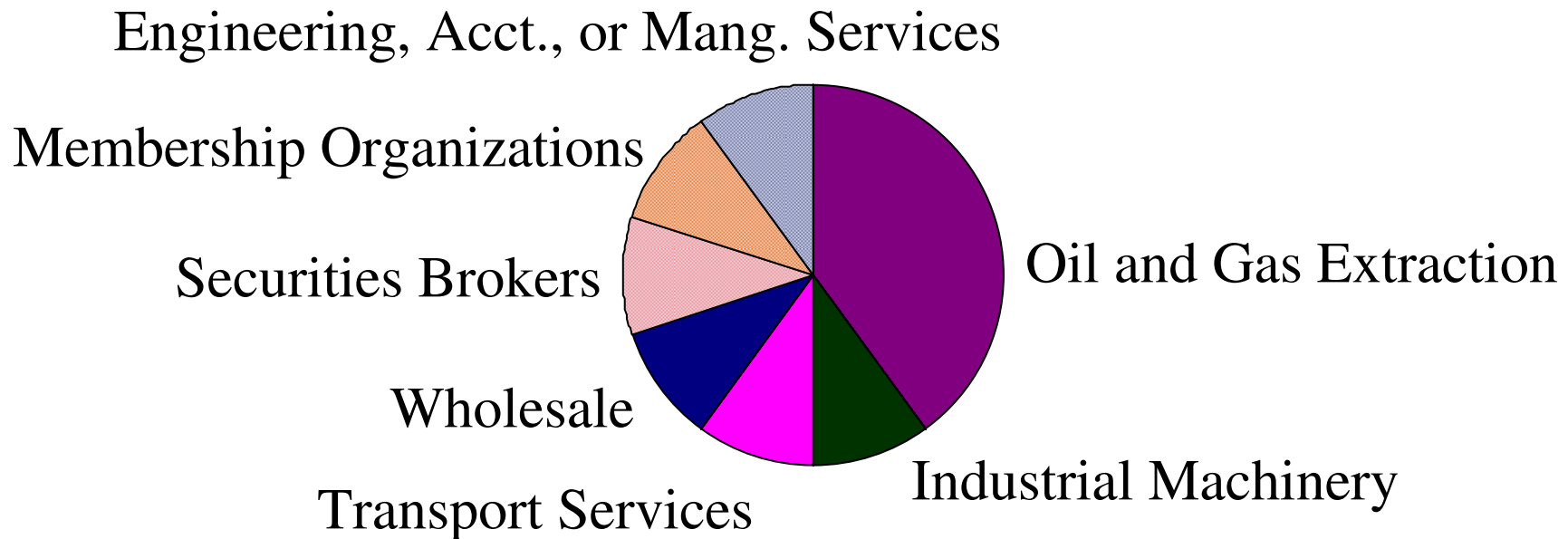
The interest rate on new borrowing over the last twelve months for my firm has _____.				
Answer Options	Response Frequency	Response Count	Index Points	Contribution to the Index
a. increased by more than 2 percent	0.0%	0	0	0.00
b. increased by & 0.5-to-2 percent	18.2%	2	4	0.73
c. not increased or decreased by more than & 0.5 percent	81.8%	9	8	6.55
d. decreased by & 0.5-to-2 percent	0.0%	0	12	0.00
e. decreased by more than 2 percent	0.0%	0	16	0.00
<i>answered question</i>		11	Total	7.27
<i>skipped question</i>		3	% Max	45.5%

Question 11: Primary line of business of respondents



There were 13 responses to this question.

Question 12: Secondary line of business of respondents



There were 10 responses to this question.