

Acadiana CFO Roundtable
Moody College of Business Sentiment Index
for the 3rd Quarter of 2011

Linus Wilson

Assistant Professor of Finance

University of Louisiana at Lafayette

linuswilson@louisiana.edu

www.linuswilson.com

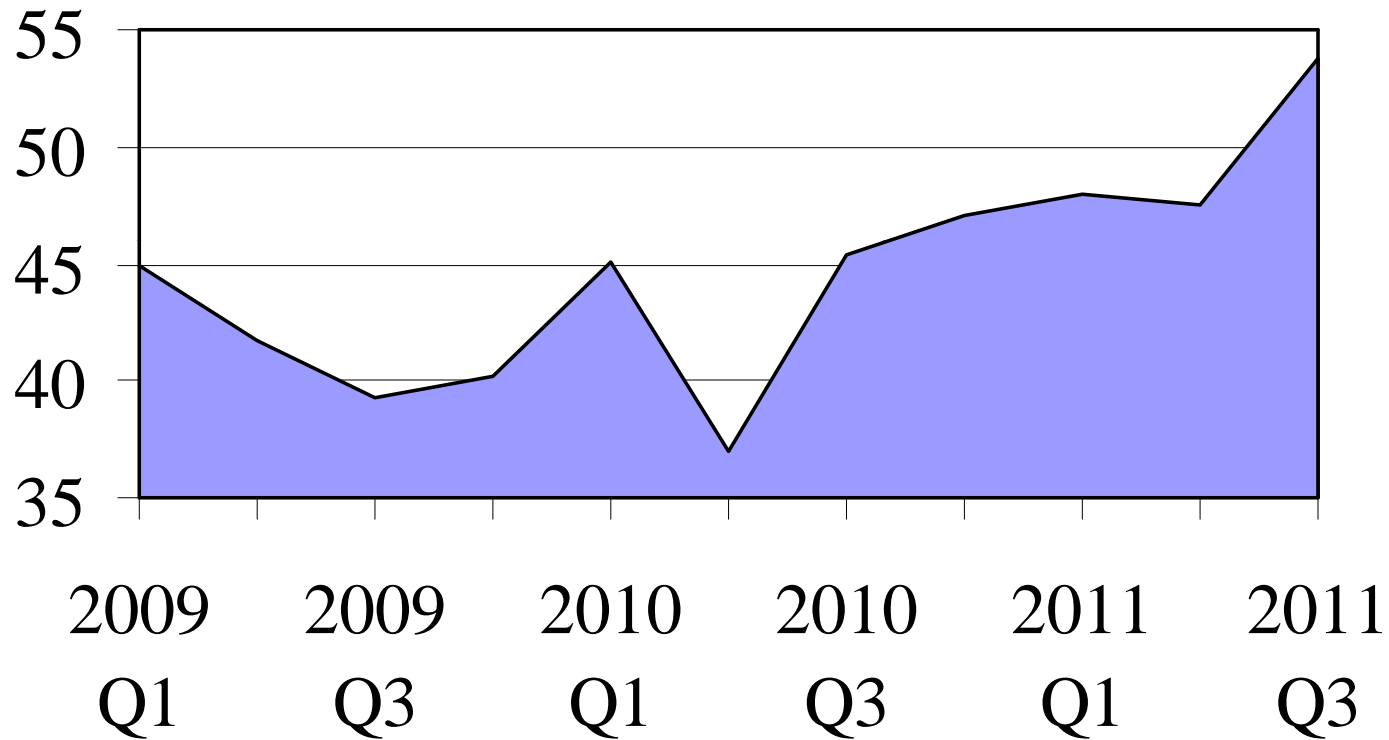
(337) 482-6209

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Results

- Index is **53.8 out of 100**. This is better than “normal.” A reading of 50 is supposed to be about normal.
- This is a record high for the index! This is the first time that the sentiment index topped 50.
- There were 17 Acadiana business leaders surveyed. The survey was conducted online between October and December 2011.

The CFO Roundtable Business Sentiment Index has hit a new high.



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 53.77 in Q2 2011, which is up from 47.53 in Q1 2011.

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	52.9%	9	10	5.29
b. staying the same	41.2%	7	5	2.06
c. becoming more challenging	5.9%	1	0	0.00
<i>answered question</i>		17	Total	7.35
<i>skipped question</i>		0	% Max	73.5%

Question 2: Business conditions in Acadiana may be worse 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	5.9%	1	12	0.71
b. normal	58.8%	10	6	3.53
c. worse than normal	35.3%	6	0	0.00
<i>answered question</i>		17	Total	4.24
<i>skipped question</i>		0	% Max	35.3%

Question 3: Most persons surveyed see conditions for their firms 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	52.9%	9	10	5.29
b. staying the same	17.6%	3	5	0.88
c. becoming more challenging	29.4%	5	0	0.00
<i>answered question</i>		17	Total	6.18
<i>skipped question</i>		0	% Max	61.8%

Question 4: Current business conditions are below normal at 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	23.5%	4	12	2.82
b. normal	41.2%	7	6	2.47
c. worse than normal	35.3%	6	0	0.00
<i>answered question</i>		17	Total	5.29
<i>skipped question</i>		0	% Max	44.1%

Question 5: 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.	35.3%	6	1	0.35
c. increasing by more than 1 percent per year but less than 5 percent per year.	52.9%	9	2	1.06
d. increasing by less than 1 percent per year or are decreasing in price.	11.8%	2	3	0.35
<i>answered question</i>		17	Total	1.76
<i>skipped question</i>		0	% Max	58.8%

Question 6: Suppliers are no tougher to find for many 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.	6.3%	1	0	0.00
b. is no more or less difficult to find the suppliers of the goods and services essential to my business.	87.5%	14	1	0.88
c. is easier to find the suppliers of the goods and services essential to my business.	6.3%	1	2	0.13
<i>answered question</i>		16	Total	1.00
<i>skipped question</i>		1	% Max	50.0%

Question 7: Margins are shrinking for most 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	46.7%	7	6	2.80
c. decreasing	53.3%	8	0	0.00
<i>answered question</i>		15	Total	2.80
<i>skipped question</i>		2	% Max	23.3%

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.	0.0%	0	0	0.00
b. Inventory levels are steady.	100.0%	9	6	6.00
c. Inventory levels are declining.	0.0%	0	12	0.00
d. This statement is not applicable to my firm.	0.0%	7	0	0.00
<i>answered question</i>		16	Total	6.00
<i>skipped question</i>		1	% Max	50.0%

Not applicable responses do not contribute to the index.

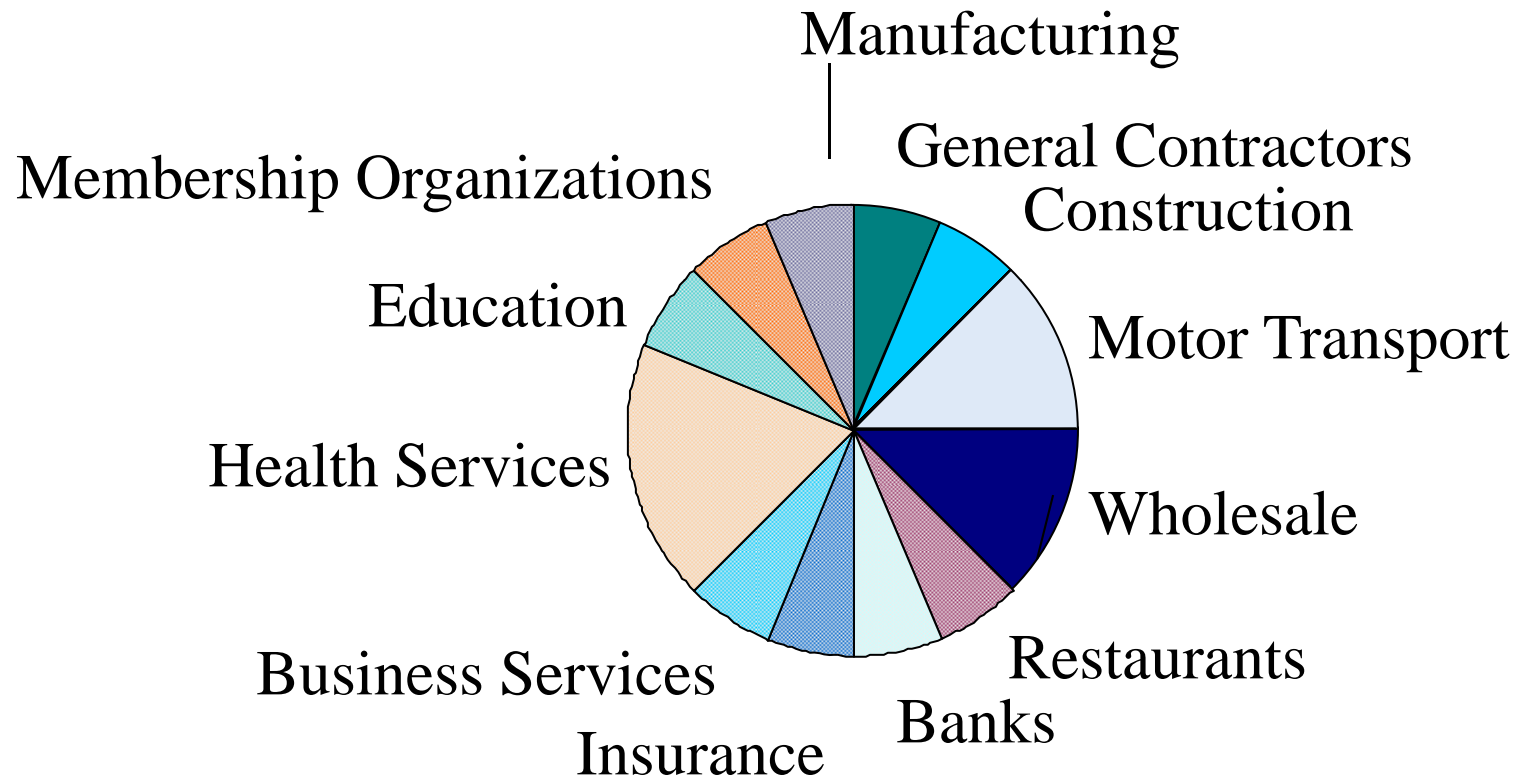
Question 9: Credit is generally available.

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	14.3%	2	0	0.00
b. False	85.7%	12	11	9.43
<i>answered question</i>		14	Total	9.43
<i>skipped question</i>		3	% Max	85.7%

Question 10: Borrowing costs are steady or declining.

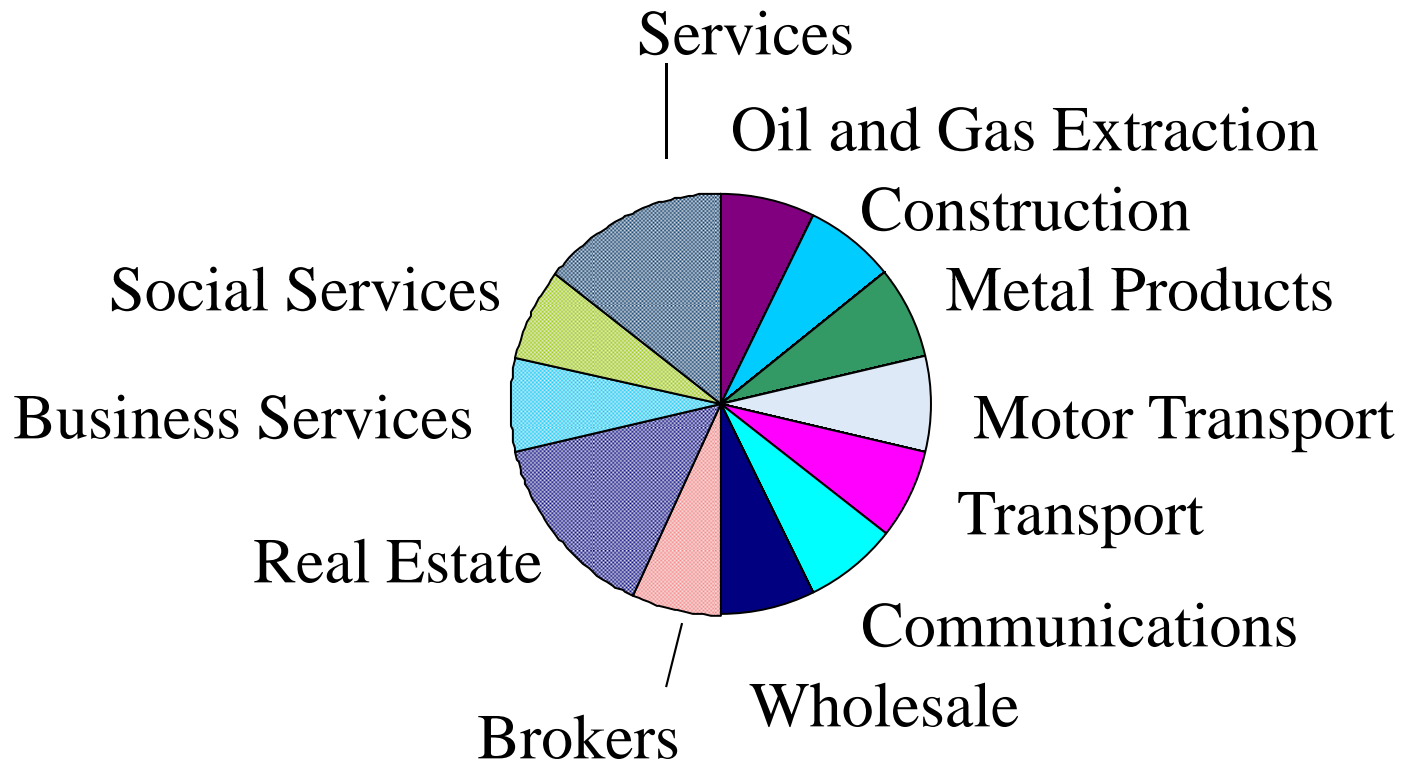
The interest rate on new borrowing over the last twelve months for my firm has _____.				
Answer Options	Response Frequency	Response Count	Index Points	Contribution to the Index
a. increased by more than 2 percent	0.0%	0	0	0.00
b. increased by & 0.5-to-2 percent	7.1%	1	4	0.29
c. not increased or decreased by more than & 0.5 percent	50.0%	7	8	4.00
d. decreased by & 0.5-to-2 percent	35.7%	5	12	4.29
e. decreased by more than 2 percent	7.1%	1	16	1.14
<i>answered question</i>		14	Total	9.71
<i>skipped question</i>		3	% Max	60.7%

Question 11: Primary line of business of respondents



There were 16 responses to this question.

Question 12: Secondary line of business of respondents



There were 14 responses to this question.