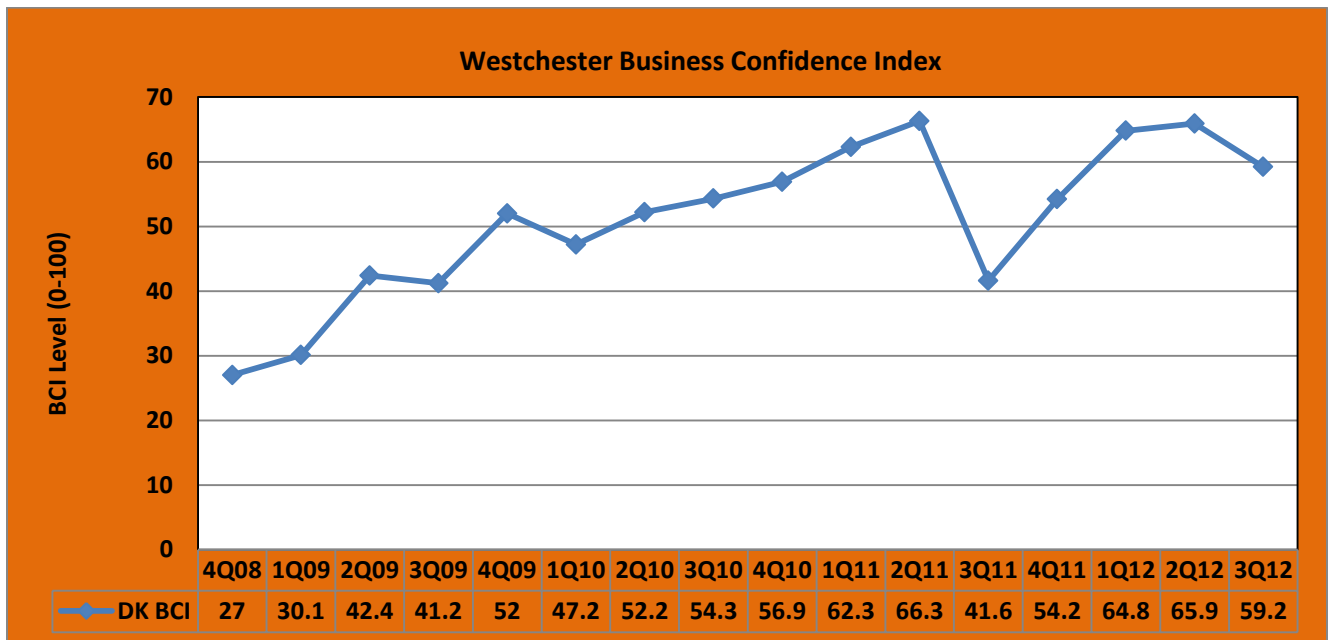


3Q-2012 – Westchester Business Confidence Index Dips Slightly

The Westchester Business Confidence Index is sponsored by the Business Council of Westchester and designed/conducted by DataKey Consulting®. The Index focuses on key business metrics, such as trends in staffing levels, top line revenues, bottom line profits, capital spending budgets, and other industry performance data. Critical data was captured and analyzed against comparison points of one quarter and one year ago.



(Note: a score of 50 means an equal number of businesses are optimistic about the future as are pessimistic)

The 3Q-2012 Westchester Business Confidence Index reading of 59.2 (on a scale of 1 to 100) indicates a slight decline in the outlook from the previous quarter (65.9). This quarter’s reading of 59.2, is still considerably higher than the index (41.6) of the same quarter last year, and continues to represent what DataKey’s President Ted Miller calls “Cautious Business Optimism.”

This quarter’s slight drop in level of Westchester business confidence is consistent with nation’s somewhat increased apprehension about business and employment prospects in the recent months, as also indicated by the Conference Board’s Consumer Confidence Index. Our survey results show that this minor downward change in confidence is being driven by idle hiring rates and capital spending budgets, similar

level of overall confidence in business compared to last quarter, as well as stagnated revenue and industry performance outlooks. As one respondent commented, *“Until there are better tax incentives for businesses to expand and until the banks make it easier for businesses to borrow, there will be stagnation. Once the economy picks up and unemployment decreases, businesses will increase production and our industry will improve.”*

Though Westchester unemployment rate of 7.5% in July is consistently running below the national (8.2%, per Bloomberg) and state (9.1%, per NYS Department of Labor) rates of unemployment, businesses are still cautious about the near future, perhaps due to the uncertainty of the upcoming elections. A member of the Business Council of Westchester explained, *“We believe that the uncertainty of the direction of the country is holding back decision making by our prospects.”*
