Current Confindex reading – 90 – is essentially unchanged from September 09 reading. Construction industry conditions appear to be stabilizing.

Noteworthy this quarter:
- All individual measurements for current conditions, while still in negative territory showed some small upticks.
- 3 of 4 individual measurements projecting 2010 expectations remain positive but tempered compared to September.
- Availability of Bonding Credit in 2010 is a concern. This measurement reflected the largest individual change going from a positive 109 in September to a negative 98 reading in December.

* Any index >100 reflects more positive responses than negatives, while any index <100 reflects more negative responses.

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SIMPLE EXPLANATION OF CONFINDEX

• Have the Overall Confindex Index
  • A form of Composite Index
  • Within Overall we have 4 Sub Indices
    Business Conditions
    Financial Conditions
    Current Conditions
    2010 Outlook

• Take measurements using 8 questions
  • Current Business Conditions
  • Future (2010) Business Conditions
  • Current Bank Credit Availability
  • Future (2010) Bank Credit Availability
  • Future (2010) Bonding Credit Availability
  • Line of Credit Status
  • Current Backlog
  • Future (2010) Backlog

• Calculate indices by taking “the net” of positive responses minus negative responses and adding 100. (Neutral and No Answers are excluded)

• Any index greater than 100 reflects more positives than negatives where as any index less than 100 reflects more negatives than positives.