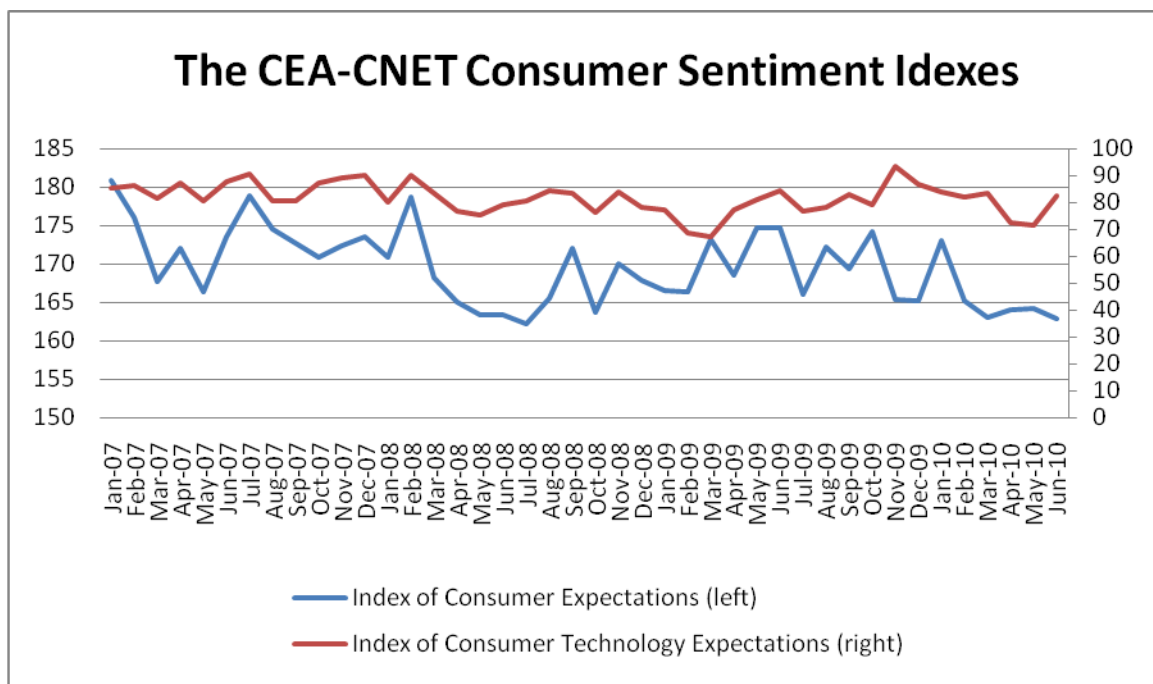


## The CEA-CNET Consumer Sentiment Indexes

The CEA-CNET Consumer Sentiment Indexes represent more than three years of research into cutting-edge methods for measuring consumer expectations about the future. The indexes measure how consumers perceive the overall health of the economy and the outlook for technology spending. Both indexes focus on consumer perceptions of the future. These forward looking expectations provide market observers valuable information into how consumers will likely behave over the pursuing months.

The CEA-CNET Index of Consumer Expectations declined slightly in June. Consumer sentiment, as measured by this index, is down 7% year-over-year and is at its lowest point since July 2008. On the other hand, sentiment regarding technology purchases is up nearly 16% from last month, recovering from the declines seen over the past two months.



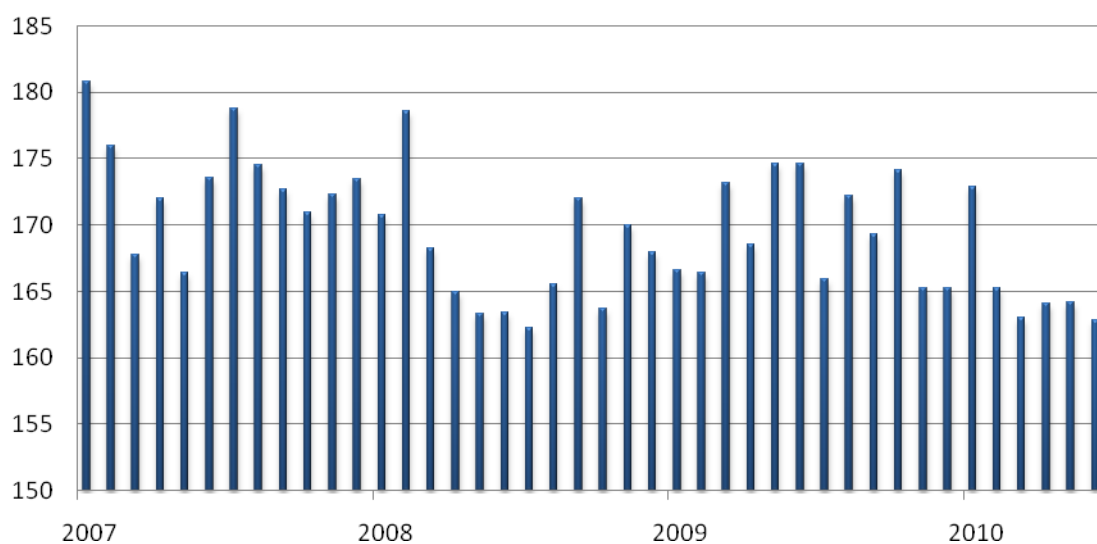
## The CEA-CNET Index of Consumer Expectations

The CEA-CNET Index of Consumer Expectations (ICE) measures consumer expectations about the broader economy. The index carries a maximum value of 300 and a minimum value of 100.

**Table 1: CEA-CNET Index of Consumer Expectations**

2007											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
180.8	176.0	167.7	172.0	166.4	173.5	178.7	174.6	172.7	170.9	172.3	173.4
2008											
170.8	178.6	168.2	165.0	163.3	163.4	162.2	165.5	172.0	163.7	170.0	167.9
2009											
166.6	166.4	173.1	168.5	174.6	174.7	165.9	172.2	169.3	174.1	165.3	165.2
2010											
172.9	165.2	163.0	164.1	164.2	162.8						

### CEA-CNET Index of Consumer Expectations



- In June, the CEA-CNET Index of Consumer Expectations declined 0.8% or 1.4 points from last month, to 162.8. The index continues to demonstrate consumers' wariness over the job market and other economic factors. In addition, consumers may be concerned about how the current Gulf of Mexico oil spill will impact the economy in the affected region and as a whole.

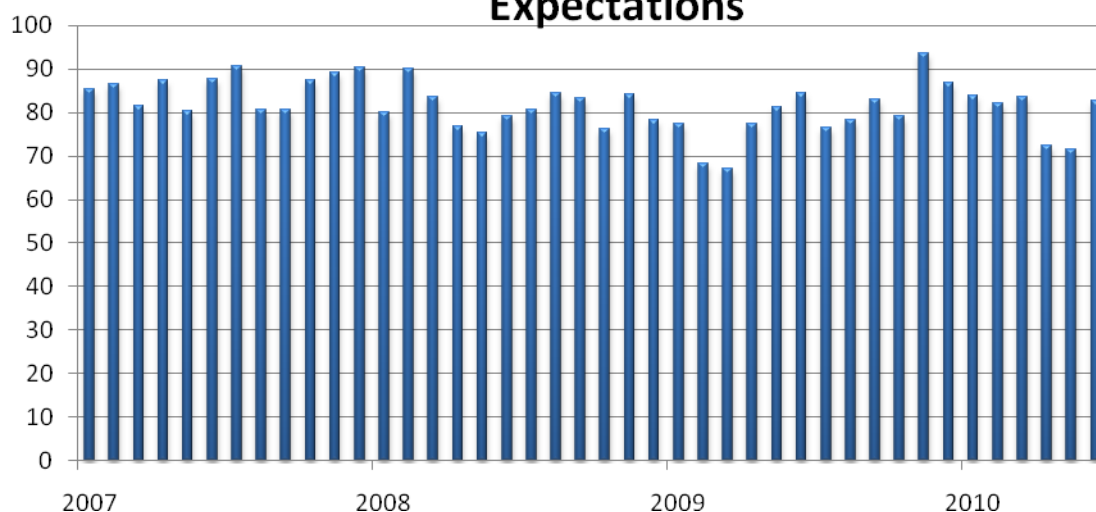
## The CEA-CNET Index of Consumer Technology Expectations

The CEA-CNET Index of Consumer Technology Expectations (ICE) measures consumer expectations about technology spending. The index carries a maximum value of 200 and a minimum value of zero.

**Table 2: CEA-CNET Index of Consumer Technology Expectations (ICTE)**

2007											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
85.4	86.5	81.4	87.4	80.4	87.6	90.7	80.8	80.6	87.4	89.1	90.2
2008											
79.0	89.9	83.5	76.7	75.2	79.2	80.7	84.4	83.2	76.2	84.2	78.3
2009											
77.3	68.4	67.2	77.4	81.1	84.4	76.6	78.2	83.0	79.3	93.5	86.8
2010											
83.9	82.0	83.6	72.3	71.5	82.7						

### CEA-CNET Index of Consumer Technology Expectations



- In June, the CEA-CNET Index of Consumer Technology Expectations (ICTE) jumped by 11.2 points, or 15.7%, to 82.7. This may indicate a recovery from the spending reluctance seen over the past two months. Summer is a big time for tech, with a new iPhone and upgrades to video game consoles recently announced, all of which are sparking interest in the category.

## **About the CEA-CNET Consumer Sentiment Indexes**

The CEA-CNET Consumer Sentiment Indexes are a joint effort of CEA and CNET. The Indexes are published monthly on the fourth Tuesday of each month. The survey data are collected each month by random-digit-dial for 1,000 respondents and weighted to be representative of the U.S. population.

For an in-depth analysis of the methodology used in the CEA-CNET Consumer Sentiment Index see the whitepaper “The CEA-CNET Consumer Sentiment Indexes.”

## **About CEA**

The Consumer Electronics Association (CEA) is the preeminent trade association promoting growth in the \$173 billion U.S. consumer electronics industry. More than 2,200 companies enjoy the benefits of CEA membership, including legislative advocacy, market research, technical training and education, industry promotion and the fostering of business and strategic relationships. CEA also sponsors and manages the International CES – Where Entertainment, Technology and Business Converge.

## **About CNET**

CNET ([www.cnet.com](http://www.cnet.com)), a property of CBS Interactive, is where people go to discover the latest in tech and consumer electronics. Driven by a trusted voice and a passionate community, CNET creates an open environment for people to find and use the best products to fit their lifestyle. The powerful combination of CNET's award-winning news, lab-tested product reviews, safe and spyware-free downloads, and user-generated content give people information and inspiration to live and thrive in a life gone digital.

**Appendix I: Composition of the CEA-CNET Index of Consumer Expectations**

The CEA-CNET Index of Consumer Expectations is derived from three components – Expectations for the U.S. Economy, Expectations for the Job Market, and Expectations for Personal Financial Health. The CEA-CNET Index of Consumer Technology Expectations is derived from two components – Expectations for Purchasing CE and Expectations for Purchasing More CE.

**Table 3: Expectations for the U.S. Economy**

2007											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
39.9	37.4	36.9	35.6	32.5	38.1	39.7	39.8	35.3	35.4	34.9	36.4
2008											
38.2	40.6	39.5	36.5	33.6	33.6	34.9	35.1	38.5	39.7	41.3	42.0
2009											
41.2	38.7	44.1	43.7	46.8	47.8	42.7	43.7	44.8	42.1	38.2	41.3
41.5	37.8	36.7	37.8	43.7	43.3						

**Table 4: Expectations for the Job Market**

2007											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
83.5	85.2	80.0	84.5	82.9	82.5	84.1	84.5	85.8	83.6	84.8	83.3
2008											
83.5	83.4	81.1	82.5	81.7	81.6	80.7	82.3	81.8	78.8	81.9	79.6
2009											
80.5	82.6	78.8	78.5	78.2	77	77.5	81.4	76.2	81.9	78.0	78.0
2010											
81.0	80.9	80.1	79.1	81.2	81.0						

**Table 5: Expectations for Personal Financial Health**

2007											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
57.3	53.4	50.8	52.0	51.1	53.0	54.9	50.3	51.5	51.9	52.6	53.7
2008											
49.1	54.6	47.7	46.0	48.1	48.3	46.6	48.1	51.7	45.2	46.8	46.3
2009											
44.9	45.1	50.2	46.4	49.6	49.8	45.7	47.1	48.3	50.1	49.0	45.9
2010											
50.5	46.5	46.2	47.2	46.1	45.8						

**Table 6: Expectations for Buying CE**

2007											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
48.8	50.3	47.1	50.9	46.4	50.0	52.4	46.5	46.7	51.3	51.7	50.5
2008											
46.3	52.5	47.4	44.4	43.9	46.6	47.8	49.7	49.7	45.3	50.3	47.4
2009											
45.7	41.0	40.6	45.1	46.5	49.6	45.4	45.6	49.7	48.1	54.3	52.5
2010											
50.0	48.7	49.9	43.5	41.7	49.1						

**Table 7: Expectations for Spending More on CE**

2007											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
36.6	36.1	34.3	36.5	34.0	37.6	38.2	34.3	33.9	36.1	37.4	39.7
2008											
33.7	37.4	36.1	32.3	31.3	32.5	33.0	34.7	33.6	30.9	33.8	30.8
2009											
31.6	27.5	26.6	32.3	34.5	34.8	31.2	32.6	33.4	31.2	39.2	34.3
2010											
33.9	33.3	33.7	28.8	29.8	33.7						