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### *Consumer Sentiment*

Consumer sentiment among Floridians ticked up 2.8 points in September to 90.9, according to the latest University of Florida consumer survey.

Among the five components that make up the index, four increased and one remained unchanged.

Perceptions of one's personal financial situation now compared with a year ago climbed 3.2 points from 77.3 to 80.5. Opinions as to whether now is a good time to buy a big-ticket item like an appliance went up 4.2 points to 101.6. These two components together indicate that Floridians' opinions of current economic conditions improved in September.

"The latter increase is mainly driven by the population aged 60 and over, but in general, Floridians expressed more positive views compared with last month's index score," said Hector H. Sandoval, director of the Economic Analysis Program at UF's Bureau of Economic and Business Research.

Expectations of personal finances a year from now rose slightly by 1.6 points to 100.1.

Expectations of U.S. economic conditions over the next year remained unchanged at 85.1 points, while anticipated U.S. economic conditions over the next five years showed the greatest increase of any component, up 5.2 points from 82 to 87.2.

"Perceptions of present conditions and expectations about future conditions each explained about half of the change in this month's consumer sentiment index," Sandoval said. "Furthermore, the overall positive change is independent of age, gender and income."

The Florida economy continued adding jobs statewide in August, and Florida unemployment is at the lowest level since the last recession, unchanged at 4.7 percent for the last three months. Many experts think this means Florida has reached its "natural" rate of unemployment, which is the unemployment rate that the economy will tend to gravitate around in the long run, despite fluctuating during shorter-term booms and busts.

While Florida's economy is growing, with more jobs added every month, questions are being raised about the quality of those jobs.

"Despite these positive trends in the labor market, labor force participation is decreasing, and there is evidence of an underlying change in the employment structure, with more Floridians in lower-paying jobs compared with pre-recession levels," Sandoval said. "Adding more low-wage and low-skill jobs does not directly translate into a higher standard of living for Florida workers."

Last week the Federal Reserve Board decided to leave interest rates unchanged. The Fed's low-interest-rate policy holds savings rates low for those who put money in a bank and encourages investors to seek higher returns in other riskier investments. But it also keeps the cost of borrowing low for firms and households who need credit.

“This month’s spike in perceptions as to whether this is a good time to buy a big-ticket item could be due to the Fed’s announcement,” Sandoval said.

The current election season may also affect the opinions of Florida consumers.

“It’s not unusual to see politics creep into the consumer sentiment index during a presidential election, particularly in the expectations of U.S. economic conditions,” said bureau Director Chris McCarty. “The contrast between the candidates’ approach to the economy is as stark a contrast as any election in recent memory. While the polls show a tight race, this may ultimately bode well for Clinton in Florida.”

Conducted Sept. 1-25, the UF study reflects the responses of 431 individuals who were reached on cellphones, representing a demographic cross-section of Florida.

The index used by UF researchers is benchmarked to 1966, which means a value of 100 represents the same level of confidence for that year. The lowest index possible is a 2, the highest is 150.

**FLORIDA ECONOMIC AND CONSUMER SURVEY†**  
**September 30, 2016**  
**Bureau of Economic and Business Research**  
**University of Florida**

	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16
<b>Consumer Sentiment Index</b>													
FLORIDA	89.0	89.2	91.1	91.6	92.4	91.8	94.1	91.0	90.0	89.7	93.0	88.1	90.9
Men	91.5	90.3	93.7	96.6	94.7	93.9	96.9	95.5	91.2	93.6	96.6	90.6	95.0
Women	86.5	88.2	88.7	86.9	90.1	89.8	91.6	86.7	88.8	85.9	89.5	85.8	87.0
Under age 60	93.4	93.8	93.4	96.3	96.4	97.6	96.1	95.5	95.2	93.2	95.1	91.3	93.8
Aged 60 and over	77.0	78.2	85.0	79.4	80.9	78.2	88.9	80.0	77.5	79.5	85.2	80.9	83.1
Income under \$50,000	87.8	85.3	89.4	87.3	91.8	89.7	91.7	87.1	85.6	84.2	87.0	85.5	87.0
Income \$50,000 and over	92.1	95.1	97.0	99.3	94.8	97.4	98.8	95.1	95.9	97.0	99.3	92.0	97.7
<b>Personal financial situation now compared to a year ago</b>													
FLORIDA	81.2	79.8	86.9	80.7	83.4	83.9	84.2	80.4	85.5	83.5	86.7	77.3	80.5
Men	86.3	83.1	88.7	88.0	84.6	92.7	89.5	85.1	89.4	85.7	93.2	81.3	89.1
Women	76.3	76.7	85.3	73.9	82.4	75.7	79.3	76.0	81.8	81.4	80.4	73.6	72.2
Under age 60	86.3	85.8	91.7	90.2	87.7	92.6	89.1	88.9	95.9	91.3	92.9	81.6	86.2
Aged 60 and over	66.3	64.5	72.4	57.9	71.6	62.7	70.6	59.4	58.5	61.8	67.1	68.3	64.5
Income under \$50,000	75.0	70.5	77.6	72.1	78.8	77.8	76.4	71.3	78.2	72.3	78.2	69.4	72.6
Income \$50,000 and over	88.4	91.0	101.1	91.7	89.6	94.5	94.4	89.0	92.6	97.7	94.0	88.9	95.1
<b>Personal financial situation expected one year from now</b>													
FLORIDA	97.0	98.4	98.5	98.5	104.0	99.4	105.7	101.2	102.5	101.4	106.4	98.5	100.1
Men	97.6	98.2	102.9	104.8	103.3	102.5	105.3	103.6	105.2	103.9	107.5	102.4	101.3
Women	96.4	98.5	94.5	92.6	104.7	96.5	105.9	98.9	99.9	99.1	105.3	94.9	98.9
Under age 60	106.8	108.7	105.0	107.0	112.2	108.7	112.2	110.5	111.0	109.3	113.9	106.5	107.8
Aged 60 and over	72.5	72.7	79.9	77.6	81.6	77.5	86.8	77.2	82.4	80.0	83.5	81.2	78.5
Income under \$50,000	98.7	96.3	100.6	100.1	106.8	98.7	109.8	104.2	101.7	99.9	103.4	100.9	100.5
Income \$50,000 and over	95.9	102.7	103.5	100.6	104.2	104.1	106.5	101.8	106.1	104.4	108.9	97.8	102.5
<b>Expected national economic conditions over the next year</b>													
FLORIDA	85.3	84.8	84.8	85.9	85.0	87.3	89.5	85.6	82.9	83.8	87.0	85.1	85.1
Men	83.9	83.3	88.1	89.4	85.9	86.3	95.9	93.7	82.8	88.0	89.3	86.4	89.4
Women	86.6	86.3	81.8	82.6	84.2	88.2	83.6	78.2	83.0	79.7	84.8	83.9	81.0
Under age 60	89.0	87.3	86.0	89.0	88.9	92.2	91.1	88.6	84.7	86.6	88.4	87.3	87.2
Aged 60 and over	75.6	79.0	81.5	76.8	74.6	76.2	85.6	79.0	78.7	74.0	81.2	78.3	80.0
Income under \$50,000	88.1	82.4	88.2	81.9	89.4	89.5	89.4	83.2	79.1	81.9	81.6	87.2	85.7
Income \$50,000 and over	82.0	86.9	85.2	91.0	83.4	87.5	91.2	88.2	88.3	88.2	94.0	85.5	86.9
<b>Expected national economic conditions over the next 5 years</b>													
FLORIDA	85.2	86.2	86.7	90.8	88.2	87.3	90.0	86.2	84.9	83.1	83.0	82.0	87.2
Men	87.3	85.2	88.9	93.4	94.2	88.5	92.7	92.2	84.5	88.0	88.5	84.1	91.0
Women	83.2	87.2	84.7	88.5	82.7	86.1	87.5	80.6	85.3	78.4	77.7	80.1	83.6
Under age 60	87.9	89.1	87.5	93.3	91.9	90.9	89.8	88.1	87.8	81.7	80.1	80.8	87.5
Aged 60 and over	78.4	80.7	85.7	83.2	77.8	79.7	91.7	82.9	78.8	87.0	88.5	84.7	86.3
Income under \$50,000	84.6	83.9	86.4	87.5	88.5	83.7	87.6	80.9	80.7	80.2	75.3	81.6	82.6
Income \$50,000 and over	88.8	90.2	89.7	98.6	88.5	96.3	93.6	89.4	89.3	86.7	91.8	82.1	93.4
<b>Is this a good time to buy major household items?</b>													
FLORIDA	96.2	96.8	98.7	101.9	101.1	101.1	101.4	101.4	94.2	96.5	101.9	97.4	101.6
Men	102.7	101.6	100.1	107.5	105.6	99.8	101.0	103.1	94.3	102.3	104.4	98.6	104.1
Women	90.1	92.2	97.4	96.8	96.9	102.4	101.7	99.9	94.2	90.9	99.6	96.3	99.3
Under age 60	97.1	97.9	96.8	101.9	101.5	103.7	98.4	101.4	96.8	97.4	100.0	100.0	100.5
Aged 60 and over	92.3	94.0	105.2	101.7	99.1	94.7	110.1	101.2	89.2	94.7	105.7	92.0	106.1
Income under \$50,000	92.5	93.2	94.3	94.9	95.2	98.8	95.2	95.7	88.1	87.0	96.4	88.2	93.4
Income \$50,000 and over	105.4	104.6	105.5	114.6	108.4	104.8	108.5	106.9	103.1	108.0	107.8	105.9	110.4
*Revised. †Preliminary.	<b>Sep-15</b>	<b>Oct-15</b>	<b>Nov-15</b>	<b>Dec-15</b>	<b>Jan-16</b>	<b>Feb-16</b>	<b>Mar-16</b>	<b>Apr-16</b>	<b>May-16</b>	<b>Jun-16</b>	<b>Jul-16</b>	<b>Aug-16</b>	<b>Sep-16</b>

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**CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH**

<b>Sample Size</b>	431	<b>Race</b>		<b>Gender</b>	
		% Non-white	25	% Male	55
<b>Average age</b>	47	% White	75	% Female	45
<b>Income Characteristics</b>		<b>Hispanic Origin</b>		<b>Region</b>	
% less than \$20,000	17	% Yes	23	% North	30
% \$20,000 to \$29,999	14	% No	77	% Central	17
% \$30,000 to \$49,999	22			% Southeast	28
% over \$50,000	47			% Southwest	25

**Data Collection Dates:** September 1 to 25, 2016