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### *Consumer Confidence*

Consumer confidence among Floridians increased in March to 76, up three points from the revised February reading of 73. Four of the five components that make up the index increased while one declined. Personal finances now compared to a year ago increased four points to 68 while expectations of personal finances a year from now fell two points to 72. Perceptions of U.S. economic conditions over the next year rose five points to 78 while expectations of U.S. economic conditions over the next five years rose six points to 75. Perceptions as to whether it is a good time to buy big ticket items rose two points to 90.

“The rise in consumer confidence in March was unexpected,” said Chris McCarty, the Survey Director. “The mid-month release from the University of Michigan for the entire U.S. fell sharply by almost six points, presumably on the perceived effects of sequestration which began in early March. Florida confidence is sharply out of line with that. This is particularly noticeable in both perceptions of current personal finances and increases in both short and long term expectations of the U.S. economy. The last time perceptions of current personal finances was 68 was in 1992 after the 1990-91 recession. Floridians as a whole do not appear to be phased by sequestration, or the expiration of the payroll tax cut that took effect in January. As it looks like the sequester cuts will be locked in until the end of September with the continuing resolution deal, it is important to know how this affects consumers. The fear has been that the combination of the payroll tax expiration and sequestration would dampen the recent growth in consumer activity. That does not seem to be the case in Florida.”

For the most part Floridians have reason to be confident. Unemployment is now .1 percent lower than the nation at 7.8 percent. This is the first time since the start of the recession that Florida’s unemployment was lower than the U.S. While some of this is due to a decline in the labor force there is no question that Florida has created jobs since the recession. The housing market continues to be strong with the median price of a single family home was \$150,000 in February, up \$5,000 from January and 12.8 percent from last year. Some areas of Florida, such as Miami, are experiencing shortages of housing which is driving up prices. The stock market continues to reach new highs as the markets so far have shrugged off the effects of sequestration. Even gas prices have been cooperating over the past three weeks showing a more than 15 cent a gallon decline.

“Confidence increased among both young and old in March, although there was a decline of seven points among lower income households,” said McCarty. “While there are certainly some Floridians who have already been affected by sequestration, the real effects will start to be noticed in upcoming months as furloughs go into effect. For now Floridians don’t appear to see how the cuts are affecting them.”

**FLORIDA ECONOMIC AND CONSUMER SURVEY†**  
**March 26<sup>th</sup>, 2013**  
**Bureau of Economic and Business Research**  
**University of Florida**

	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
<b>Consumer Confidence Index</b>													
FLORIDA	75	74	78	73	77	76	80	80	74	76	75	73	76
Men	74	78	79	74	80	78	79	80	70	75	75	71	79
Women	76	70	77	72	74	74	80	80	77	76	74	76	74
Under age 60	76	77	83	78	81	80	81	84	79	83	80	77	79
Aged 60 and over	74	71	74	70	74	74	80	77	70	70	72	71	74
Income under \$30,000	68	70	70	68	66	66	76	77	71	72	74	72	65
Income \$30,000 and over	79	78	84	79	82	82	83	82	74	80	74	75	81
<b>Personal financial situation now compared to a year ago</b>													
FLORIDA	62	63	62	61	64	61	64	64	57	62	59	64	68
Men	61	67	65	60	69	64	65	66	59	65	60	63	74
Women	64	58	59	61	59	57	63	61	56	60	58	64	62
Under age 60	67	71	67	69	72	65	71	70	64	71	65	69	68
Aged 60 and over	58	55	58	54	55	58	57	57	53	55	56	60	67
Income under \$30,000	49	48	47	49	51	47	50	52	43	43	51	55	54
Income \$30,000 and over	69	72	71	68	71	69	72	69	61	74	60	65	74
<b>Personal financial situation expected one year from now</b>													
FLORIDA	82	79	86	76	85	85	86	85	77	76	75	74	72
Men	79	83	87	73	89	85	81	84	70	76	78	70	74
Women	85	76	85	80	80	84	90	85	84	77	72	80	70
Under age 60	92	91	102	88	97	96	92	94	91	95	88	91	85
Aged 60 and over	73	69	74	67	73	74	80	76	66	61	66	66	63
Income under \$30,000	78	81	85	72	76	68	85	89	78	85	76	76	64
Income \$30,000 and over	84	80	91	80	91	94	87	86	75	78	74	74	78
<b>Expected national economic conditions over the next year</b>													
FLORIDA	73	73	76	73	75	75	81	85	79	76	76	72	78
Men	71	77	71	75	76	74	77	85	71	75	75	67	76
Women	75	68	82	71	75	76	84	86	88	76	78	77	80
Under age 60	70	72	81	74	78	78	81	87	78	80	79	69	80
Aged 60 and over	75	71	72	74	73	73	83	84	80	72	75	74	75
Income under \$30,000	71	73	73	67	64	65	82	83	80	77	86	74	62
Income \$30,000 and over	76	73	81	80	78	78	84	84	77	77	72	74	82
<b>Expected national economic conditions over the next 5 years</b>													
FLORIDA	79	76	84	80	79	82	84	86	77	78	76	69	75
Men	78	77	84	81	81	85	83	85	81	74	77	66	77
Women	81	76	85	79	77	78	85	88	82	81	75	72	72
Under age 60	73	76	85	77	79	83	77	87	80	80	80	72	74
Aged 60 and over	85	76	84	84	80	81	93	86	75	76	74	68	76
Income under \$30,000	79	72	76	76	69	80	84	85	81	77	76	72	67
Income \$30,000 and over	81	77	91	86	83	83	84	86	76	80	74	71	76
<b>Is this a good time to buy major household items?</b>													
FLORIDA	79	80	82	77	82	80	85	79	78	86	87	88	90
Men	80	88	88	83	84	84	92	78	81	87	86	90	93
Women	77	73	76	69	80	75	79	81	75	84	88	85	87
Under age 60	77	74	80	82	77	75	83	80	81	86	89	87	89
Aged 60 and over	78	86	83	72	87	71	87	79	75	86	87	89	91
Income under \$30,000	62	60	70	72	70	70	76	77	73	79	82	82	76
Income \$30,000 and over	86	86	86	80	85	84	88	82	80	89	90	92	95
*Revised. †Preliminary.	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13

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**CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH**

<b>Sample Size</b>	416	<b>Race</b>		<b>Gender</b>	
		% Non-white	12	% Male	52
<b>Average age</b>	62	% White	88	% Female	48
<b>Income Characteristics</b>		<b>Hispanic Origin</b>		<b>Region</b>	
% less than \$20,000	18	% Yes	8	% North	21
% \$20,000 to \$29,999	11	% No	92	% Central	21
% \$30,000 to \$49,999	23			% Southeast	18
% over \$50,000	48			% Southwest	40