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Consumer Confidence

Consumer confidence fell one point in May to 71 from a revised index of 72 for April. The preliminary index for April was 71. Statistically the index is the same as April. Despite the small change there were some changes in the five components that make up the index. Perceptions of personal finances now compared to a year ago fell four points to 40, one point above the all time low of 39 reached in December 2008. This decline was canceled out by a five point increase in perceptions of finances a year from now which rose to 90, the highest level since October 2007 before the stock market crashed. Perceptions of the U.S. economy over the next year rose four points to 73 while perceptions of U.S. economic conditions over the next five years fell four points to 78. Perceptions of whether it is a good time to buy big-ticket consumer items fell six points to 72.

"The makeup of the consumer confidence index in May reflects optimism about the economy in the short run," said Chris McCarty, the Survey Director. "The decline of current personal finances to near record lows is noteworthy. Floridians are saying in May they don't have the money to buy, but they expect to within a year. They also expect the U.S. economy to improve over the next year, but are beginning to question its long term viability. Perhaps consumers are questioning what comes after the stimulus money runs out."

The economic environment for consumers is mixed. Housing prices in Florida appear to be stabilizing in some markets, although foreclosures are still high. Many markets have fallen to a level that could not sustain a much larger drop. The unemployment rate fell .2 percent in April to 9.6. Rising unemployment has been a big concern for policymakers anticipating a recovery. Gas prices have risen 25 cents in the past two weeks as is typically the case when summer travel approaches. The stock market continues to exhibit volatility, but appears to have a sustained rally. Retail sales reflect pessimism as sales have been down the past two months, although last month's decline was small.

"Moving forward we still anticipate at least a short term decline in confidence over the next couple of months as the impact of the state budget is felt and the effects of a GM bankruptcy move through the system," said McCarty. "However on balance the economic news while not necessarily good, is at least not shockingly bad day to day. Like the end of hurricane season, Floridians are grateful for a day, week or month without facing economic destruction. At this point they just want to get about the business of cleaning up the mess."

FLORIDA ECONOMIC AND CONSUMER SURVEY†

May 25, 2009

Bureau of Economic and Business Research

University of Florida

	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09
Consumer Confidence Index													
FLORIDA	63	59	61	67	68	63	62	67	66	62	65	72	71
Men	70	61	65	72	71	67	64	69	67	61	63	73	71
Women	59	57	58	63	67	58	60	65	65	62	66	70	71
Under age 60	64	58	61	65	68	64	64	67	67	61	67	71	71
Aged 60 and over	63	60	60	70	68	62	61	67	65	62	62	72	70
Income under \$30,000	58	56	52	69	61	60	61	62	64	63	63	67	66
Income \$30,000 and over	66	59	62	66	68	65	63	70	68	61	65	74	74
Personal financial situation now compared to a year ago													
FLORIDA	55	51	46	51	49	41	40	39	43	41	42	44	40
Men	68	53	53	56	50	43	46	42	45	43	40	47	40
Women	47	50	41	47	49	38	34	36	40	39	43	42	41
Under age 60	56	56	52	52	50	46	43	40	47	40	40	44	41
Aged 60 and over	56	46	38	47	48	35	37	38	37	41	42	44	39
Income under \$30,000	43	35	34	40	30	38	37	24	29	35	34	36	31
Income \$30,000 and over	61	55	51	52	52	45	41	43	49	44	43	48	44
Personal financial situation expected one year from now													
FLORIDA	77	73	80	82	85	86	81	87	83	79	80	85	90
Men	82	72	84	83	84	88	83	88	87	77	79	86	85
Women	73	73	77	81	87	83	78	86	79	82	81	84	94
Under age 60	84	84	85	86	95	87	89	93	92	88	88	88	94
Aged 60 and over	65	57	68	77	72	83	72	78	73	70	73	82	84
Income under \$30,000	70	68	67	79	82	80	76	90	81	81	85	81	89
Income \$30,000 and over	78	74	81	84	86	88	84	90	85	81	80	88	93
Expected national economic conditions over the next year													
FLORIDA	51	51	51	64	65	57	55	62	55	49	60	69	73
Men	54	54	51	69	68	61	47	62	53	41	53	70	73
Women	48	48	51	61	62	53	63	62	58	56	66	68	73
Under age 60	49	47	48	59	63	56	58	58	55	48	61	65	72
Aged 60 and over	53	55	55	73	65	59	52	65	56	49	58	73	75
Income under \$30,000	50	58	46	75	69	57	64	62	70	60	66	68	80
Income \$30,000 and over	52	48	50	60	60	58	52	62	52	44	57	70	74
Expected national economic conditions over the next 5 years													
FLORIDA	70	69	68	80	77	77	73	78	75	67	79	82	78
Men	75	73	72	88	78	82	73	80	70	66	75	82	77
Women	66	66	66	75	76	72	73	77	80	68	82	83	80
Under age 60	69	64	65	76	76	76	75	77	73	64	82	78	76
Aged 60 and over	71	76	73	88	78	79	71	80	78	70	75	86	80
Income under \$30,000	69	78	58	84	78	79	76	85	79	77	79	85	75
Income \$30,000 and over	72	67	70	78	73	77	72	76	74	62	75	82	80
Is this a good time to buy major household items?													
FLORIDA	64	50	59	57	66	54	62	71	74	72	62	78	72
Men	71	51	66	65	73	62	70	74	80	79	69	82	78
Women	59	50	55	52	59	46	54	67	68	67	57	74	67
Under age 60	60	41	55	51	58	55	53	69	67	67	66	80	71
Aged 60 and over	71	65	66	65	74	54	73	73	83	78	59	75	71
Income under \$30,000	60	42	54	64	47	57	53	49	62	61	50	66	54
Income \$30,000 and over	64	50	58	55	69	58	66	78	79	76	67	84	79

*Revised. †Preliminary.

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CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH

Sample Size	408	Race		Gender	
		% Non-white	83	% Male	49
Average age	55	% White	17	% Female	51
Income Characteristics		Hispanic Origin		Region	
% less than \$20,000	17	% Yes	11	% North	28
% \$20,000 to \$29,999	13	% No	89	% Central	19
% \$30,000 to \$49,999	23			% Southeast	23
% over \$50,000	47			% Southwest	30