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Consumer Confidence

Consumer confidence among Florida's consumers fell two points in July to 65 from a revised June index of 67. Four of the five components fell while one rose. Perceptions of personal finances now compared to a year ago rose two points to 48. Expectations of personal finances a year from now fell four points to 72 which is the lowest reading for this component in the history of the survey. Expectations of U.S. economic conditions over the next year fell three points to 61 and expectations of U.S. economic conditions over the next five years fell two points to 69. The latter two components are at their lowest levels since February of last year. Perceptions as to whether it is a good time to buy big ticket consumer items fell two points to 76.

"It was no surprise that consumer confidence remained subdued among Floridians in July as the oil from Deepwater Horizon continued to flow into the Gulf most of the month," said Chris McCarty, the Survey Director. "As with last month the effect on confidence is again in one of the personal finance components which tend to be much less volatile than the other components. Perceptions of personal finances a year from now is at the lowest level ever recorded as Floridians do not anticipate a good outcome to the spill's effect on the Florida economy. This comes at a time when other economic indicators were showing signs of changing for the better."

Housing prices continue to reflect a market where prices have hit a floor although sales are down due to the spent demand from the tax rebates which ended in April. It is possible that prices could decline further, particularly if the effects of the oil spill ultimately reach the West Coast of Florida or if perceptions of these effects remain negative. The rate of unemployment statewide has actually declined for the third month with June's number coming in at 11.4 percent, far below the record of 12.3 percent reached in March 2010. While some of this decline is still due to the enormous number of Census workers hired, many of those would already have been laid off by June. This is reflected in the loss of 25,000 jobs in government which has been more than offset by increases in other sectors, such as leisure jobs associated with tourism (7,000 jobs), and administrative and waste services (7,700 jobs), possibly related to the oil spill cleanup. Preliminary gross sales for May do not show significant declines as of yet.

"Although Florida was by no means recovered from the recession, there were signs that the economy was turning around prior to the oil spill," said McCarty. "Anecdotal evidence suggests that future reports of taxable sales will show a decline, attributable both to declines in tourism and caution on the part of Florida consumers who are uncertain about the effect of the spill's aftermath on their future finances. Whether the effects are real or not, and at this point the real effects seem to be limited to the Northwest coast, perceptions reaching outside Florida to tourists and potential in-migrants around the globe are hampering economic recovery in the Sunshine State. Unfortunately the absence of oil on Florida's beaches is a far less interesting story than one that reports on the potential for disaster."

FLORIDA ECONOMIC AND CONSUMER SURVEY†
July 27th, 2010
Bureau of Economic and Business Research
University of Florida

	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10
Consumer Confidence Index													
FLORIDA	67	71	72	72	69	69	74	73	71	78	70	67	65
Men	67	74	74	76	70	69	77	71	72	78	75	67	66
Women	66	69	70	69	69	68	71	74	68	78	66	67	65
Under age 60	71	72	76	71	71	68	74	77	73	81	72	70	69
Aged 60 and over	63	70	68	73	67	70	74	67	68	73	68	64	63
Income under \$30,000	63	68	67	67	61	64	67	67	65	70	58	65	57
Income \$30,000 and over	71	73	76	74	74	71	78	76	74	82	75	69	71
Personal financial situation now compared to a year ago													
FLORIDA	43	44	42	44	49	45	53	53	55	57	54	46	48
Men	44	46	43	48	50	47	56	51	59	57	62	45	50
Women	43	41	42	41	49	43	49	56	49	57	48	47	47
Under age 60	45	44	43	39	48	45	53	59	57	59	63	51	51
Aged 60 and over	42	43	41	51	51	45	53	47	52	55	46	40	45
Income under \$30,000	34	39	35	30	34	32	39	38	45	34	29	36	34
Income \$30,000 and over	48	45	46	47	55	52	59	62	61	65	63	51	56
Personal financial situation expected one year from now													
FLORIDA	79	84	81	82	82	80	86	83	82	84	79	76	72
Men	75	84	90	82	80	80	88	84	83	82	83	76	72
Women	83	85	73	82	84	81	83	82	81	86	74	75	72
Under age 60	92	94	95	91	95	90	94	95	91	97	88	85	85
Aged 60 and over	66	72	66	71	70	72	77	68	71	68	68	66	62
Income under \$30,000	78	81	73	79	81	76	84	75	72	90	68	76	68
Income \$30,000 and over	82	88	88	83	85	84	91	88	87	86	84	77	76
Expected national economic conditions over the next year													
FLORIDA	63	72	74	71	65	67	72	68	70	82	66	64	61
Men	62	75	69	72	65	65	73	65	70	83	69	63	62
Women	64	70	78	69	64	70	72	70	69	80	63	66	61
Under age 60	69	72	75	68	67	66	71	71	71	86	67	67	61
Aged 60 and over	58	74	72	74	63	70	74	62	69	78	66	60	62
Income under \$30,000	62	70	78	72	61	72	69	69	59	75	57	65	61
Income \$30,000 and over	67	74	73	73	67	68	73	67	73	88	70	66	62
Expected national economic conditions over the next 5 years													
FLORIDA	72	81	84	80	72	74	79	76	73	79	72	71	69
Men	72	79	81	81	71	73	80	72	72	81	71	73	64
Women	73	82	86	80	72	76	78	80	75	77	74	70	74
Under age 60	72	79	86	78	71	69	77	78	75	83	71	72	66
Aged 60 and over	73	83	82	84	72	80	82	74	72	75	73	71	73
Income under \$30,000	70	89	84	81	63	72	74	78	73	69	68	74	65
Income \$30,000 and over	75	78	84	81	77	75	81	77	74	85	74	72	70
Is this a good time to buy major household items?													
FLORIDA	77	75	80	82	78	75	80	82	73	87	80	77	76
Men	84	86	89	94	83	81	88	83	77	85	87	79	82
Women	69	65	72	72	74	70	73	82	67	89	73	75	70
Under age 60	77	73	80	78	76	69	74	82	71	81	72	72	79
Aged 60 and over	77	79	82	87	81	83	88	83	76	92	88	84	72
Income under \$30,000	71	58	66	75	67	71	68	77	75	79	71	72	58
Income \$30,000 and over	81	82	89	87	84	78	86	86	77	86	83	78	89

*Revised. †Preliminary.

Jul-09 Aug-09 Sep-09 Oct-09 Nov-09 Dec-09 Jan-10 Feb-10 Mar-10 Apr-10 May-10 Jun-10 Jul-10

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CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH

Sample Size	420	Race		Gender	
		% Non-white	20	% Male	49
Average age	58	% White	80	% Female	51
Income Characteristics		Hispanic Origin		Region	
% less than \$20,000	20	% Yes	6	% North	25
% \$20,000 to \$29,999	12	% No	94	% Central	20
% \$30,000 to \$49,999	24			% Southeast	22
% over \$50,000	44			% Southwest	33