

FLORIDA CONSUMER CONFIDENCE INDEX
August 21, 2009
FOR IMMEDIATE RELEASE



From:
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Consumer Confidence

Consumer confidence among Floridians increased three points from July to August to an overall index of 70. Three of the five components in the index rose, one fell and one stayed the same. Perceptions of personal finances now compared to a year ago was unchanged at 43, still only four points above its all time low of 39. Perceptions of personal finances a year from now rose five points to 84. Perceptions of U.S. economic conditions over the next year rose ten points to 73, while perceptions of U.S. economic conditions over the next five years rose eight points to 80. The only component to fall was perceptions as to whether it is a good time to buy big ticket items which fell five points to 72.

“We had anticipated an increase in consumer confidence in August based on what appeared to be an unjustifiably large drop in July,” Said Chris McCarty, the Survey Director. “While the economic environment is by no means bright, the decline in July seemed unsustainable given the lack of any very bad economic news and some encouraging signs in Florida’s housing market and the stock market. We are not out of this recession yet, particularly here in Florida, but things are not nearly as bad as they were a year ago.”

Housing sales have been picked up both in Florida and nationally. Housing prices continue to suggest a bottom has been reached. The latest report from the Florida Association of Realtors shows median prices for existing single family flat from last month and still up for the year. A recent release from the Mortgage Bankers Association showed that 23 percent of Florida mortgages in the second quarter of 2009 were either in foreclosure or late on payments. If this trend continues this could put downward pressure on home prices. The hardest hit area of Florida is the Southwest Coast, including Ft. Myers, Sarasota and Punta Gorda. All of these areas are disproportionately dependent on retirees. A recent BEBR release showed Florida’s population declining for the first time since 1946. A big part of that is likely a slowing of the retiree market.

Employment remains an enormous problem for Florida. The latest release from the Agency for Workforce Innovation shows Florida’s unemployment in July unchanged from the previous month at 10.7. This number, which does not take into account those who have given up looking for work, is likely to increase through the end of 2009 and into 2010.

“We expect consumer confidence to stay mired in the upper 60s and low 70s as the recovery develops,” said McCarty. “Unfortunately, while Florida housing is showing signs of improving, the overall state economy in the long run will likely lag other parts of the country given the prospects for a turnaround in employment. Real estate sales, construction spending and tourism have all been major sectors in the Florida economy over the past two decades. As the country moves into recovery over the next year, these sectors of the Florida economy will certainly stabilize, but will not grow as they had. Florida needs a new approach.”

FLORIDA ECONOMIC AND CONSUMER SURVEY†

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	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09
Consumer Confidence Index													
FLORIDA	67	68	63	62	67	66	62	65	72	71	69	67	70
Men	72	71	67	64	69	67	61	63	73	73	69	67	73
Women	63	67	58	60	65	65	62	66	70	70	69	66	68
Under age 60	65	68	64	64	67	67	61	67	71	72	70	71	71
Aged 60 and over	70	68	62	61	67	65	62	62	72	70	69	63	71
Income under \$30,000	69	61	60	61	62	64	63	63	67	64	58	63	66
Income \$30,000 and over	66	68	65	63	70	68	61	65	74	75	74	71	72
Personal financial situation now compared to a year ago													
FLORIDA	51	49	41	40	39	43	41	42	44	41	46	43	43
Men	56	50	43	46	42	45	43	40	47	44	47	44	45
Women	47	49	38	34	36	40	39	43	42	38	45	43	41
Under age 60	52	50	46	43	40	47	40	40	44	41	45	45	43
Aged 60 and over	47	48	35	37	38	37	41	42	44	41	48	42	43
Income under \$30,000	40	30	38	37	24	29	35	34	36	31	29	34	39
Income \$30,000 and over	52	52	45	41	43	49	44	43	48	46	53	48	45
Personal financial situation expected one year from now													
FLORIDA	82	85	86	81	87	83	79	80	85	90	84	79	84
Men	83	84	88	83	88	87	77	79	86	88	84	75	84
Women	81	87	83	78	86	79	82	81	84	91	84	83	83
Under age 60	86	95	87	89	93	92	88	88	88	94	93	92	91
Aged 60 and over	77	72	83	72	78	73	70	73	82	84	74	66	74
Income under \$30,000	79	82	80	76	90	81	81	85	81	87	71	78	78
Income \$30,000 and over	84	86	88	84	90	85	81	80	88	93	90	82	87
Expected national economic conditions over the next year													
FLORIDA	64	65	57	55	62	55	49	60	69	72	66	63	73
Men	69	68	61	47	62	53	41	53	70	72	62	62	74
Women	61	62	53	63	62	58	56	66	68	72	69	64	72
Under age 60	59	63	56	58	58	55	48	61	65	72	66	69	71
Aged 60 and over	73	65	59	52	65	56	49	58	73	71	66	58	77
Income under \$30,000	75	69	57	64	62	70	60	66	68	74	53	62	72
Income \$30,000 and over	60	60	58	52	62	52	44	57	70	74	71	67	73
Expected national economic conditions over the next 5 years													
FLORIDA	80	77	77	73	78	75	67	79	82	80	81	72	80
Men	88	78	82	73	80	70	66	75	82	77	77	72	79
Women	75	76	72	73	77	80	68	82	83	81	84	73	81
Under age 60	76	76	76	75	77	73	64	82	78	79	81	72	78
Aged 60 and over	88	78	79	71	80	78	70	75	86	79	82	73	84
Income under \$30,000	84	78	79	76	85	79	77	79	85	73	73	70	89
Income \$30,000 and over	78	73	77	72	76	74	62	75	82	82	86	75	76
Is this a good time to buy major household items?													
FLORIDA	57	66	54	62	71	74	72	62	78	76	68	77	72
Men	65	73	62	70	74	80	79	69	82	84	75	84	84
Women	52	59	46	54	67	68	67	57	74	67	62	69	62
Under age 60	51	58	55	53	69	67	67	66	80	76	65	77	70
Aged 60 and over	65	74	54	73	73	83	78	59	75	73	74	77	76
Income under \$30,000	64	47	57	53	49	62	61	50	66	57	63	71	51
Income \$30,000 and over	55	69	58	66	78	79	76	67	84	80	72	81	80

*Revised. †Preliminary.

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CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH

Sample Size	425	Race		Gender	
		% Non-white	19	% Male	46
Average age	56	% White	81	% Female	54
Income Characteristics		Hispanic Origin		Region	
% less than \$20,000	17	% Yes	14	% North	29
% \$20,000 to \$29,999	13	% No	86	% Central	15
% \$30,000 to \$49,999	20			% Southeast	26
% over \$50,000	50			% Southwest	30