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### *Consumer Confidence*

Consumer confidence among Floridians declined one point in February to 76 from the January reading of 77. Three of the five components that make up the index declined, one rose and one stayed the same. Perceptions of personal finances now compared to a year ago fell one point to 60, while expectations of personal finances a year from now fell three points to 81. Expectations of U.S. economic conditions over the next year remained unchanged at 75 while expectations of economic conditions over the next five years declined one point to 82. Perceptions as to whether it is a good time to buy big ticket items rose three points to 85.

“The pattern of consumer confidence over the last three months is exactly the same as it was a year ago,” said Chris McCarty, the Survey Director. “From December 2010 to February 2011 the overall level of confidence went from 70, to 77 then 76, the same as this year. In March 2011 confidence fell four points to 72 and declined steadily until August. Those declines were fueled early on by concern over the earthquake in Japan and the Arab Spring uprisings and ultimately by the debate in Congress over the debt ceiling. This year we have concerns over Syria and Iran, rising gas prices and the overhang of the European debt crisis. The sustained level of consumer confidence is welcome news, but it will be interesting to see how consumers react going forward.”

Consumer sentiment as measured by the University of Michigan was also relatively unchanged in February, coming in at 75.3 compared to 75 a month before. Other economic indicators that affect Floridians have been positive in January. The stock market is hitting post-recession highs and the Dow has recently topped 13,000 a psychological barrier that if passed could lead to increased investment. Unemployment in Florida declined in December below 10 percent to 9.9 percent. Gains were primarily in trade, transportation and utilities. Questions have been raised about seasonal adjustment issues related to the national numbers that show similar gains. January unemployment will not be released until March 13<sup>th</sup>. Home prices have been holding steady with December prices up from November at \$134,300. Those prices could come down through the year particularly if a bill being considered by the Florida Legislature to speed up the processing of over 368,000 foreclosure cases currently held up in the judicial process passes and is implemented in July. Gas prices have risen over 25 cents in the past month and are likely to top \$4 a gallon by the summer. Continued tensions with Iran could push prices much higher than that by the end of the year.

“Consumer confidence in March should give us a good indication as to whether we will trend down or hold onto these gains,” said McCarty. “As the election nears in November we can expect some effect on consumer confidence as there is a lot riding on the outcome. Beginning in January 2013 the Bush tax cuts are set to expire and mandatory across-the-board budget cuts brokered during the debt-ceiling debate last August will take effect. Consumers will become more aware of these two issues as the elections near. By that time we can also expect some clarity on whether the European Union can deal with their debt crisis in a way that will not have long-lasting effects on global economies such as the U.S. If large economies such as Italy and Spain were to default the effects on the U.S., and therefore Florida, would be unavoidable.”

**FLORIDA ECONOMIC AND CONSUMER SURVEY†**  
**February 28<sup>th</sup>, 2012**  
**Bureau of Economic and Business Research**  
**University of Florida**

	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12
<b>Consumer Confidence Index</b>													
FLORIDA	76	72	68	68	66	67	61	64	65	66	70	77	76
Men	76	74	71	72	63	66	64	63	67	67	72	78	79
Women	77	69	66	65	70	67	58	65	63	66	67	76	73
Under age 60	81	75	73	72	74	69	65	68	67	70	77	81	82
Aged 60 and over	73	69	64	65	61	66	57	59	63	62	66	73	70
Income under \$30,000	66	61	59	58	61	59	54	58	51	62	65	73	66
Income \$30,000 and over	80	76	72	73	69	72	65	66	71	71	75	82	82
<b>Personal financial situation now compared to a year ago</b>													
FLORIDA	56	58	56	52	54	58	53	49	54	52	56	61	60
Men	59	61	62	53	53	57	54	52	60	55	60	65	64
Women	53	54	51	51	56	58	51	45	48	49	50	57	54
Under age 60	59	59	63	57	63	62	60	51	64	54	63	66	66
Aged 60 and over	54	56	50	49	47	53	46	47	45	49	51	57	54
Income under \$30,000	36	41	43	38	35	40	43	36	35	46	47	45	36
Income \$30,000 and over	64	62	62	55	62	67	60	54	65	57	61	70	71
<b>Personal financial situation expected one year from now</b>													
FLORIDA	81	80	73	75	74	75	73	74	76	80	78	84	81
Men	81	82	76	80	69	76	75	71	76	80	79	82	83
Women	81	77	69	70	80	74	71	78	76	80	78	87	78
Under age 60	95	97	84	88	92	87	85	87	84	89	89	95	95
Aged 60 and over	68	65	59	65	60	63	61	62	68	70	70	73	67
Income under \$30,000	83	76	68	64	73	60	67	70	57	74	75	78	76
Income \$30,000 and over	83	82	76	82	77	85	78	75	85	85	82	90	87
<b>Expected national economic conditions over the next year</b>													
FLORIDA	77	67	66	68	60	57	51	53	55	53	60	75	75
Men	76	69	66	69	55	53	52	51	55	52	61	73	77
Women	79	66	65	66	67	61	50	56	55	54	59	77	72
Under age 60	83	70	70	74	70	57	51	59	55	59	67	78	79
Aged 60 and over	72	64	62	63	54	58	50	47	57	47	55	73	69
Income under \$30,000	68	57	53	54	64	52	46	51	51	57	64	81	66
Income \$30,000 and over	80	72	69	75	59	60	53	52	57	53	60	75	78
<b>Expected national economic conditions over the next 5 years</b>													
FLORIDA	80	74	72	73	70	69	62	68	67	68	73	83	82
Men	77	76	74	77	61	65	65	63	65	64	73	83	83
Women	84	71	70	68	81	72	59	74	69	72	72	82	81
Under age 60	84	73	74	75	72	66	64	71	64	68	79	85	88
Aged 60 and over	76	73	72	70	69	74	58	63	70	67	68	81	75
Income under \$30,000	72	64	67	71	72	69	57	63	57	66	69	84	78
Income \$30,000 and over	81	78	75	77	69	70	64	69	71	70	75	85	84
<b>Is this a good time to buy major household items?</b>													
FLORIDA	88	80	75	74	72	75	68	74	71	78	85	82	85
Men	89	82	78	79	75	78	75	79	77	82	90	86	90
Women	86	78	72	68	68	72	61	70	66	75	77	78	78
Under age 60	83	74	73	67	71	72	67	71	66	78	87	82	81
Aged 60 and over	92	84	79	79	72	80	70	79	77	80	85	82	88
Income under \$30,000	70	63	66	64	63	72	56	68	57	65	72	76	72
Income \$30,000 and over	91	84	76	76	77	78	71	81	78	88	96	90	90
										<b>Nov-</b>			
	<b>Feb-11</b>	<b>Mar-11</b>	<b>Apr-11</b>	<b>May-11</b>	<b>Jun-11</b>	<b>Jul-11</b>	<b>Aug-11</b>	<b>Sep-11</b>	<b>Oct-11</b>	<b>11</b>	<b>Dec-11</b>	<b>Jan-12</b>	<b>Feb-12</b>

\*Revised. †Preliminary.

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**CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH**

<b>Sample Size</b>	403	<b>Race</b>		<b>Gender</b>	
		% Non-white	13	% Male	55
<b>Average age</b>	59	% White	87	% Female	45
<b>Income Characteristics</b>		<b>Hispanic Origin</b>		<b>Region</b>	
% less than \$20,000	19	% Yes	8	% North	22
% \$20,000 to \$29,999	12	% No	92	% Central	19
% \$30,000 to \$49,999	22			% Southeast	21
% over \$50,000	47			% Southwest	38