

From:
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Consumer Sentiment

Consumer sentiment among Floridians fell 4.7 points in August to 78.7 from a revised figure of 83.4 in July. Notably, national consumer sentiment dipped by 10.9 points.

“The decline in consumer confidence comes as no surprise as it remains unclear whether the recent spike in inflation due to supply chain bottlenecks, pent-up demand, and labor shortages is temporary. Additionally, the latest surge in coronavirus cases and hospitalizations brought on by the Delta variant has spooked consumers resulting in event cancellations, hindering consumer spending, and casting a shadow on the economic recovery in the short-run,” said Hector H. Sandoval, director of the Economic Analysis Program at UF’s Bureau of Economic and Business Research.

All five components that make up the index declined.

Floridians’ opinions about their personal finances now compared with a year ago decreased 3.9 points from 75.8 to 71.9. Similarly, opinions as to whether this is a good time to buy a big-ticket item, such as refrigerators, cars, or furniture dropped 1 point from 74.8 to 73.8. Both downward readings were shared by all Floridians with the exception of men in the former component and people with an annual income over \$50,000 in the latter, whose readings were more optimistic.

Similarly, the three components representing the expectations of future economic conditions deteriorated considerably in August. In particular, outlooks about expected national economic conditions recorded the steepest declines.

Expectations of personal financial situations a year from now fell 2 points from 93.8 to 91.8. However, responses were split across sociodemographic lines with people younger than 60 and people with an annual income under \$50,000 reporting more-favorable views. Expectations of U.S. economic conditions over the next year plummeted 7.1 points from 85.2 to 78.1. Likewise, expectations of U.S. economic conditions over the next five years plunged 9.3 points from 87.4 to 78.1. These expectations were shared by all Floridians, and were particularly stronger among men, people older than 60, and people with an annual income over \$50,000.

“While the decline in confidence was fueled by growing pessimism in all five components, the main factors behind the downturn were Floridians’ expectations about U.S. economic conditions in the short- and long-run. These expectations signal a potential decline in discretionary spending that could hinder the economic recovery,” Sandoval said.

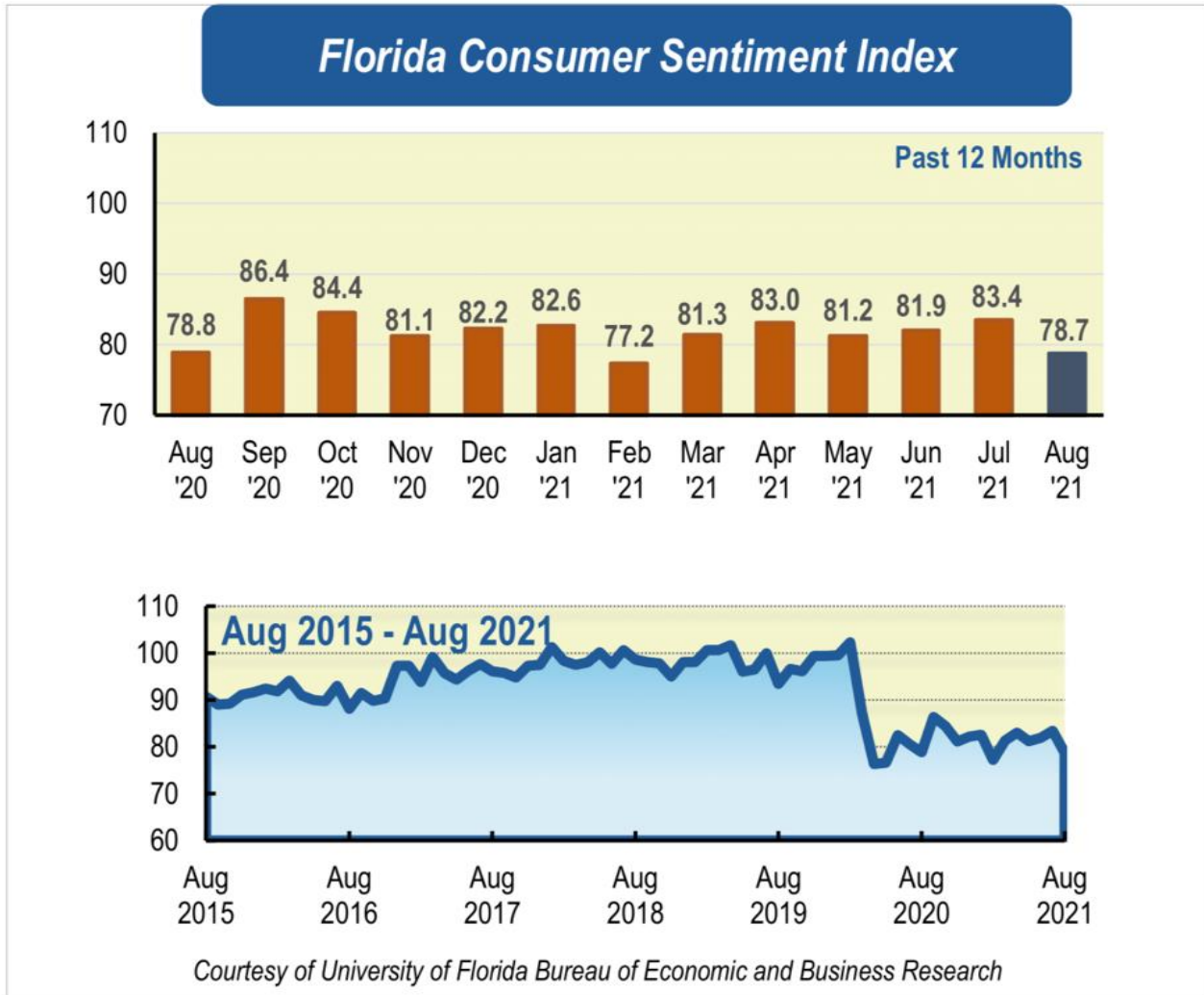
“Consumer confidence is far from the levels observed before the pandemic. The decline in August brought consumer sentiment just 2.4 points above its lowest level since the pandemic started. Looking ahead, we expect consumer sentiment to remain weak in the months ahead,” Sandoval said.

Conducted July 1 through August 26, the UF study reflects the responses of 210 individuals who were reached on cellphones and 286 individuals reached through an online panel, a total of 496 individuals, representing a demographic cross section of Florida. The index used by UF researchers is benchmarked to 1966, which means a value of 100 represents the same level of confidence for that year. The lowest index possible is a 2, the highest is 150.

Details of this month's survey can be found at <http://www.bebr.ufl.edu/csi-data>

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FLORIDA ECONOMIC AND CONSUMER SURVEY†
August 31, 2021
Bureau of Economic and Business Research
University of Florida

	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21
Consumer Sentiment Index													
FLORIDA	78.8	86.4	84.4	81.1	82.2	82.6	77.2	81.3	83.0	81.2	81.9	83.4	78.7
Men	85.1	92.1	88.5	88.5	85.6	85.5	78.7	83.4	83.5	81.5	82.9	86.0	81.4
Women	72.6	81.4	80.7	74.4	79.1	79.9	75.8	79.2	82.5	80.9	81.0	81.1	76.3
Under age 60	79.7	88.0	87.5	86.6	84.8	85.2	78.5	85.3	86.1	85.4	86.3	88.5	84.7
Aged 60 and over	77.3	83.5	78.2	71.3	74.5	76.6	76.8	75.2	78.7	75.5	75.4	74.6	67.3
Income under \$50,000	71.2	78.9	75.4	79.6	78.4	78.5	75.6	79.0	74.9	75.4	78.8	79.6	74.7
Income \$50,000 and over	84.6	93.6	92.7	84.0	86.7	86.3	79.2	85.5	90.9	87.3	85.5	87.0	82.4
Personal financial situation now compared to a year ago													
FLORIDA	68.3	71.1	67.0	69.2	68.3	73.0	66.4	68.4	72.6	73.5	76.3	75.8	71.9
Men	75.4	77.3	75.1	80.1	77.2	82.8	71.6	78.7	72.6	75.6	78.9	79.6	80.1
Women	61.5	65.5	59.9	59.5	60.0	63.8	61.4	58.8	72.5	71.5	73.8	72.5	64.4
Under age 60	69.0	72.8	70.8	74.5	69.3	75.9	64.4	68.7	77.5	79.4	83.0	81.6	76.1
Aged 60 and over	67.5	67.7	59.6	61.1	65.1	65.6	70.7	69.4	65.1	63.7	64.4	65.1	62.9
Income under \$50,000	58.5	59.5	54.9	60.4	60.5	60.5	52.1	56.1	57.9	58.4	62.7	65.9	60.0
Income \$50,000 and over	76.5	81.0	76.9	75.9	73.8	83.9	79.9	81.9	84.3	85.2	87.1	83.9	82.2
Personal financial situation expected one year from now													
FLORIDA	90.5	97.1	98.1	91.6	95.2	95.3	87.6	90.6	92.3	90.3	90.9	93.8	91.8
Men	92.7	100.1	100.3	95.3	96.5	94.7	89.5	91.8	96.2	91.0	90.6	97.6	95.0
Women	88.2	94.3	96.2	88.2	93.9	95.9	85.7	89.5	88.6	89.6	91.3	90.4	88.8
Under age 60	95.0	103.0	107.1	100.5	102.8	102.1	94.0	100.5	100.8	101.1	101.8	103.9	104.1
Aged 60 and over	81.6	85.1	82.8	77.4	71.1	81.6	77.7	74.2	79.8	74.6	73.9	74.8	67.4
Income under \$50,000	82.2	94.5	92.8	98.0	94.0	91.6	90.1	91.7	88.6	88.1	89.4	86.9	87.5
Income \$50,000 and over	96.1	99.1	102.6	88.7	100.9	98.8	86.1	89.4	97.5	94.5	93.7	100.9	97.5
Expected national economic conditions over the next year													
FLORIDA	77.5	90.7	87.1	83.3	81.7	81.6	79.0	85.7	85.7	82.5	82.6	85.2	78.1
Men	82.8	96.9	92.1	90.0	83.7	83.4	77.4	84.6	86.9	81.7	83.0	88.6	78.4
Women	72.4	85.2	82.7	77.2	79.9	79.9	80.5	86.8	84.6	83.2	82.2	82.2	77.8
Under age 60	80.1	93.5	89.4	90.5	85.6	85.1	81.1	89.7	90.5	87.3	85.9	87.8	83.2
Aged 60 and over	73.1	85.9	82.8	70.7	70.2	73.4	76.4	79.4	79.1	76.4	78.1	81.0	69.4
Income under \$50,000	71.6	81.9	79.9	85.0	77.3	80.1	83.4	88.5	79.4	81.3	84.2	82.1	76.4
Income \$50,000 and over	81.9	99.3	93.2	84.5	87.7	83.5	74.9	85.2	93.2	85.6	82.4	87.8	78.7
Expected national economic conditions over the next 5 years													
FLORIDA	85.9	93.3	92.0	84.7	87.4	87.6	81.4	83.7	87.5	83.1	84.1	87.4	78.1
Men	93.1	100.8	94.9	90.0	85.7	87.0	80.1	77.8	89.0	81.5	81.8	88.6	77.8
Women	79.0	86.5	89.5	80.0	89.1	88.2	82.7	89.2	86.1	84.5	86.2	86.3	78.4
Under age 60	84.8	93.8	92.6	87.9	91.6	89.7	83.4	89.5	92.0	86.1	85.3	90.0	81.4
Aged 60 and over	88.7	92.4	90.8	77.0	75.6	82.5	79.2	75.1	82.1	80.2	84.0	83.9	71.6
Income under \$50,000	77.2	89.2	86.3	86.2	85.5	85.7	85.2	89.8	86.8	82.9	83.1	85.6	78.7
Income \$50,000 and over	93.3	98.7	99.2	85.2	91.1	89.7	77.8	81.3	91.5	85.9	86.1	89.5	76.7
Is this a good time to buy major household items?													
FLORIDA	71.8	80.0	77.5	76.6	78.5	75.5	71.7	77.8	76.7	76.7	75.8	74.8	73.8
Men	81.8	85.1	80.4	87.2	84.9	79.9	75.0	84.3	72.6	77.8	80.1	75.8	75.7
Women	62.1	75.3	75.0	67.1	72.6	71.5	68.5	71.7	80.5	75.7	71.8	74.0	72.1
Under age 60	69.7	76.7	77.9	79.5	74.7	73.1	69.5	77.9	69.9	73.0	75.7	79.1	78.5
Aged 60 and over	75.8	86.4	75.1	70.3	90.4	79.9	79.9	77.8	87.6	82.7	76.5	67.9	65.1
Income under \$50,000	66.4	69.6	63.4	68.4	74.7	74.3	67.0	69.0	62.0	66.4	74.6	77.7	71.0
Income \$50,000 and over	75.4	89.8	91.4	85.8	79.7	75.5	77.4	89.7	87.8	85.5	78.3	72.8	76.8
*Revised. †Preliminary.	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21

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CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH

Sample Size	496	Race		Gender	
		% Non-white	27	% Male	51
Average age	49	% White	73	% Female	49
Income Characteristics		Hispanic Origin		Region	
% less than \$20,000	17	% Yes	17	% North	21
% \$20,000 to \$29,999	11	% No	83	% Central	21
% \$30,000 to \$49,999	17			% Southeast	29
% over \$50,000	55			% Southwest	29

Data Collection Dates: July 1 to August 26, 2021