

From:
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Consumer Sentiment

Consumer sentiment among Floridians fell slightly four-tenths of a point to 64 from November's revised figure of 64.4. On the contrary, national sentiment rose nearly 3 points.

"As the year winds down, annual average consumer confidence stands at 64.3 points in 2022, its lowest level on record since the series began tracking consumer confidence in 1985. This is an indication that consumer attitudes have been overwhelmingly gloomy in 2022. The second-lowest annual average was 65.6 points and dates to the Great Recession in 2008," said Hector H. Sandoval, director of the Economic Analysis Program at UF's Bureau of Economic and Business Research.

"Persistently high inflation over the past year has prompted the Federal Reserve to aggressively raise interest rates since March to bring inflation down; a depressed consumer confidence outlook raises concern about the future of the economy and increases the fears of a potential recession in 2023," Sandoval added.

Among the five components that make up the index, three increased and two decreased.

Floridians' opinions about current economic conditions were more optimistic in December. Views of personal financial situations now compared with a year ago increased slightly by seven-tenths of a point from 53.9 to 54.6. Similarly, opinions as to whether now is a good time to buy a big-ticket household item such as a refrigerator or furniture increased 2 points from 53.2 to 55.2. However, these views were divided across sociodemographic groups with men and people with an annual income above \$50,000 expressing less-favorable views to both components.

The three components corresponding to Floridians' expectations about future economic conditions were mixed. Expectations of personal finances a year from now decreased 3.1 points from 79.6 to 76.5. On the contrary, expectations about U.S. economic conditions over the next year increased slightly eight-tenths of a point from 62.1 to 62.9. Finally, the outlook of U.S. economic conditions over the next five years dropped 2.4 points from 73.3 to 70.9. Future outlooks were split by demographics with no discernible patterns except for women, who consistently expressed more favorable views across the three components.

"As we move into 2023, the biggest economic challenge facing the U.S. remains elevated inflation. While it is expected that inflation pressures will ease over the course of the year, the inflation rate remains well above the 2 percent target. Therefore, it is likely that the Fed will continue to raise interest rates in 2023, further increasing borrowing costs and the risk of a recession," Sandoval said.

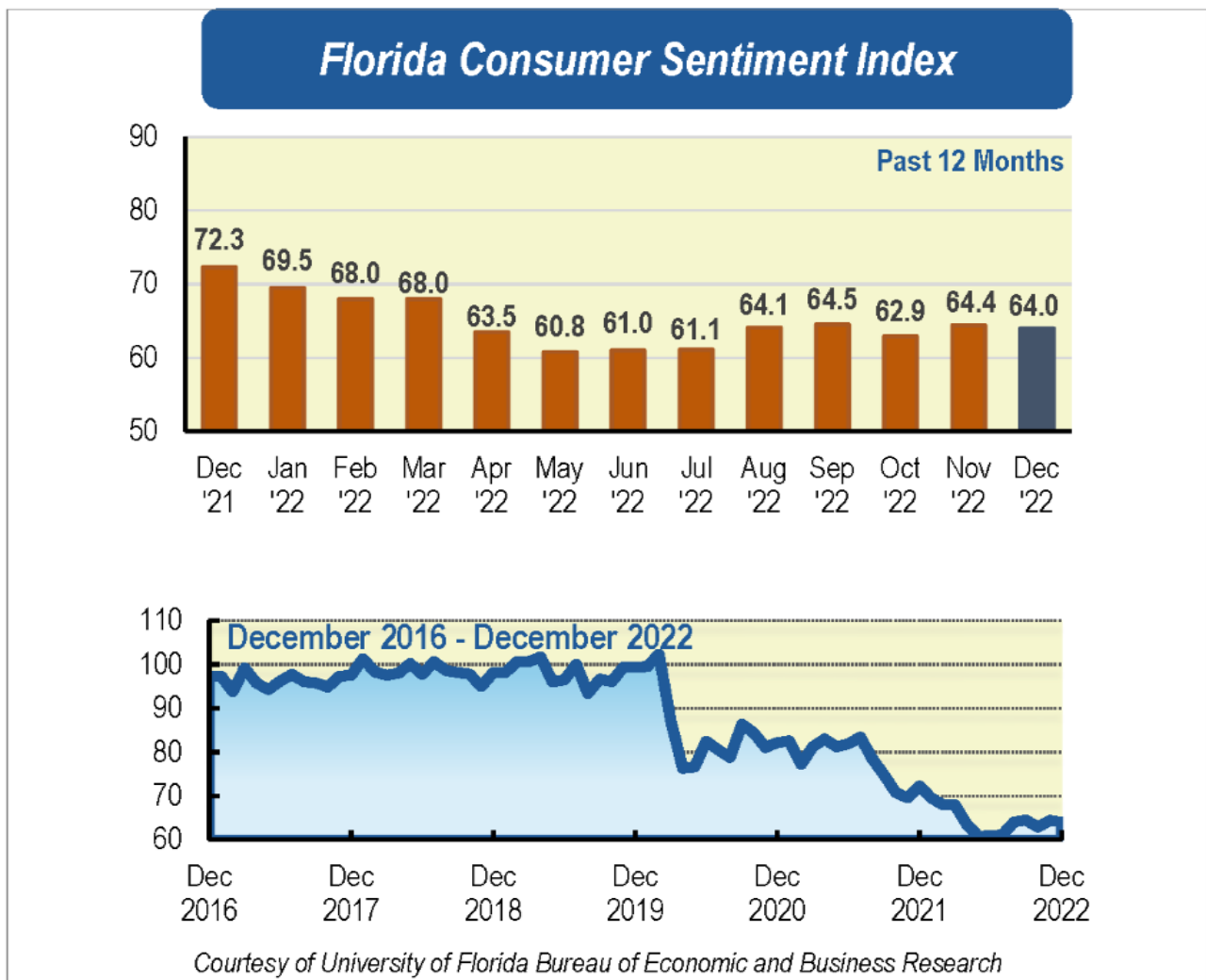
“Though we have not yet seen the full impact of the Fed's actions on the economy, the labor market has remained strong, especially in Florida, where the unemployment rate has steadily decreased and has remained below the national rate for the past two years. Despite this, we anticipate that Florida's consumer sentiment will remain weak throughout the first months of 2023,” Sandoval added.

Conducted November 1 through December 24, the UF study reflects the responses of 291 individuals who were reached on cellphones and 313 individuals reached through an online panel, a total of 604 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 <https://www.bebr.ufl.edu/florida-consumer-sentiment/>

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FLORIDA ECONOMIC AND CONSUMER SURVEY†
January 3, 2023
Bureau of Economic and Business Research
University of Florida

	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Consumer Sentiment Index													
FLORIDA	72.3	69.5	68.0	68.0	63.5	60.8	61.0	61.1	64.1	64.5	62.9	64.4	64.0
Men	74.2	69.5	68.5	69.9	63.9	59.7	60.2	59.7	63.5	67.8	71.1	70.0	64.5
Women	70.6	69.4	67.6	66.3	63.0	61.9	61.8	62.4	64.7	61.4	55.7	59.2	63.6
Under age 60	78.5	74.6	71.8	72.6	68.5	66.0	68.0	68.9	69.1	70.2	69.1	69.4	70.7
Aged 60 and over	62.5	61.4	62.4	61.4	55.4	51.9	49.1	47.7	56.5	57.6	54.9	57.4	55.4
Income under \$50,000	68.9	68.2	67.5	68.9	62.9	61.3	62.5	61.3	60.9	57.0	59.0	64.7	67.5
Income \$50,000 and over	76.7	71.8	68.8	66.9	62.9	60.4	60.5	61.3	66.9	70.6	67.4	66.5	63.4
Personal financial situation now compared to a year ago													
FLORIDA	64.6	65.1	63.5	62.2	58.8	54.8	53.8	52.5	53.8	54.0	51.9	53.9	54.6
Men	69.5	67.1	66.8	68.1	62.1	57.6	56.4	54.1	55.5	58.4	63.1	61.0	54.0
Women	60.0	63.3	60.4	56.5	55.7	52.1	51.2	50.9	52.3	50.0	42.0	47.2	55.2
Under age 60	72.1	70.1	66.3	64.8	63.2	59.5	59.9	62.5	61.5	62.5	61.4	61.0	61.4
Aged 60 and over	51.7	56.2	59.3	59.4	51.9	46.0	43.7	36.3	42.5	43.5	40.0	44.5	45.6
Income under \$50,000	51.4	52.4	51.1	52.5	51.9	51.0	48.1	48.0	47.9	40.8	42.0	46.0	47.5
Income \$50,000 and over	75.4	76.3	74.1	69.4	62.9	58.4	59.5	56.8	58.5	64.2	62.0	62.6	60.8
Personal financial situation expected one year from now													
FLORIDA	87.4	82.5	81.0	80.6	74.4	74.1	76.1	75.1	77.0	77.4	79.7	79.6	76.5
Men	85.4	81.3	77.6	77.9	72.9	72.2	73.9	73.5	75.5	80.8	86.5	82.2	75.8
Women	89.2	83.6	84.2	83.2	75.7	76.0	78.3	76.6	78.5	74.3	73.6	77.1	77.3
Under age 60	98.7	92.2	89.9	90.6	83.7	82.9	88.0	88.0	86.5	87.4	92.3	90.1	88.7
Aged 60 and over	69.2	66.9	67.5	65.1	59.8	59.8	57.0	54.2	63.7	65.6	62.5	63.5	59.8
Income under \$50,000	85.4	83.6	83.7	84.1	76.0	76.3	79.1	78.2	74.2	67.3	74.9	82.1	83.0
Income \$50,000 and over	90.5	84.1	80.4	77.3	72.4	72.9	75.2	74.6	80.5	85.3	85.4	81.2	75.3
Expected national economic conditions over the next year													
FLORIDA	73.5	68.8	68.3	68.7	63.0	58.6	57.8	58.0	65.2	67.0	60.2	62.1	62.9
Men	76.0	68.8	68.4	69.5	61.0	54.0	52.8	52.4	62.0	69.6	67.0	67.6	62.8
Women	71.2	68.9	68.3	67.9	64.9	63.2	62.6	63.2	68.2	64.7	54.2	57.0	63.0
Under age 60	78.6	73.1	72.7	73.9	68.0	64.6	66.2	66.4	69.6	72.7	64.4	65.6	69.8
Aged 60 and over	65.4	61.6	61.1	60.6	54.9	48.7	43.1	42.1	57.6	60.1	54.4	57.3	55.0
Income under \$50,000	71.0	69.4	71.3	71.0	65.3	64.1	64.3	60.7	63.7	62.0	59.5	65.8	68.7
Income \$50,000 and over	78.1	70.5	66.9	66.2	58.7	53.7	54.3	56.3	66.4	71.4	61.6	61.4	60.6
Expected national economic conditions over the next 5 years													
FLORIDA	75.0	73.5	73.6	73.2	69.4	66.4	66.3	67.3	70.4	70.2	72.8	73.3	70.9
Men	75.4	73.2	77.2	77.4	69.9	65.7	65.0	62.6	69.2	74.0	81.1	81.1	73.9
Women	74.7	73.8	70.2	69.1	68.9	67.0	67.6	71.8	71.5	66.8	65.5	66.0	68.0
Under age 60	80.6	77.4	75.5	75.6	71.8	68.6	71.0	70.2	71.7	73.9	75.3	73.9	73.8
Aged 60 and over	66.7	67.4	70.2	69.2	65.1	61.9	57.9	61.4	67.9	65.9	69.6	72.2	67.0
Income under \$50,000	73.8	75.4	75.4	76.5	68.1	63.7	66.2	65.2	67.6	66.2	70.6	75.3	74.9
Income \$50,000 and over	77.3	73.0	71.8	69.6	69.1	66.1	64.4	67.9	72.9	74.4	74.8	72.9	69.0
Is this a good time to buy major household items?													
FLORIDA	61.2	57.3	53.6	55.5	51.7	50.2	51.1	52.5	54.1	53.8	50.1	53.2	55.2
Men	64.9	57.3	52.4	56.4	53.8	49.2	52.8	55.7	55.2	56.3	57.7	58.0	55.9
Women	57.7	57.4	54.8	54.6	49.8	51.2	49.5	49.5	53.1	51.4	43.4	48.6	54.4
Under age 60	62.6	60.2	54.8	57.9	56.0	54.1	55.0	57.4	56.2	54.4	52.2	56.1	59.7
Aged 60 and over	59.3	54.6	53.8	52.8	45.3	42.8	43.9	44.2	50.8	53.0	48.2	49.4	49.5
Income under \$50,000	63.0	60.0	56.1	60.4	53.2	51.3	55.0	54.1	50.9	48.7	47.9	54.5	63.7
Income \$50,000 and over	62.1	55.3	51.0	51.9	51.5	50.8	49.0	51.0	56.1	57.9	53.5	54.4	51.2
*Revised. †Preliminary.	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22

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CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH

Sample Size	604	Race		Gender	
		% Non-white	26	% Male	49
Average age	53	% White	74	% Female	51
Income Characteristics		Hispanic Origin		Region	
% less than \$20,000	15	% Yes	18	% North	24
% \$20,000 to \$29,999	10	% No	82	% Central	18
% \$30,000 to \$49,999	16			% Southeast	27
% over \$50,000	59			% Southwest	31

Data Collection Dates: November 1 to December 28, 2022