



Consumer confidence in Florida rose overall

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Consumer Confidence

Consumer confidence in Florida regained some of the losses from last month as the overall index rose two points to 95. The gains were broad-based as four of the five components rose. Perceptions of personal finances now compared to a year ago rose three points to 85, and expectations about personal finances a year from now rose four points to 103. Expectations about the US economy over the next year rose two points to 87. Perceptions as to whether it is a good time to buy big ticket items rose three points to 110. The only component to decline was perceptions of the US economy over the next five years, falling three points to 87.

“The rebound in June reflects what happened on the national level as measured by the University of Michigan,” said Chris McCarty, the Survey Director. “The increase in Florida was smaller than at the national level, but now the Florida index is at exactly the same level as the nation.”

Recent economic indicators have suggested the economy is improving. With the exception of one release, jobless claims have been steadily coming in below the benchmark level of 350,000. The economy has been producing jobs, now recovering roughly 1 million of the 2.5 million jobs lost since the recession. Chain store sales and retail sales figures were positive, particularly in gasoline and autos.

“Although overall consumer confidence increased, there was a four point fall among respondents age 60 and older,” said McCarty. “While seniors reported a sharp increase in their personal finances now compared to a year ago, more of them anticipate being worse off over the next year, and their expectations about the US economy are extremely negative. Given Florida’s anticipated pivotal role in the upcoming elections and the high voter turnout among the elderly, this number is one to watch.”

Survey Method

The consumer confidence index and its five component indexes are not percentages. The minimum value these indexes can take is 2 if all respondents answered pessimistically on all five questions, and 150 if all respondents answered optimistically on all five questions. The index is benchmarked to 1966, so that a value of 100 represents the same level of confidence for that year. The value of the index is in comparing changes over time rather than looking at an isolated month.

Consumer confidence is designed to measure the mood of consumers towards buying, and thus help to predict buying patterns. Although other economic indicators are also predictors of buying patterns, consumer confidence tends to be available sooner than these indicators. Consumer confidence is also designed to capture the effect of events that may affect buying patterns, but are not immediately reflected in other economic indicators.

The Florida Consumer Attitude Survey is conducted monthly by the UF Survey Research Center of the Bureau of Economic and Business Research at the University of Florida. This 70-station computerized lab surveys Floridians throughout the state through random-digit dialing. Responses are weighted to account for variable response rates across counties.

FLORIDA ECONOMIC AND CONSUMER SURVEY
June 28, 2004
Bureau of Economic and Business Research
University of Florida

Jun-03 Jul-03 Aug-03 Sep-03 Oct-03 Nov-03 Dec-03 Jan-04 Feb-04 Mar-04 Apr-04 May-04* Jun-04†

Consumer Confidence Index

| | | | | | | | | | | | | | |
|--------------------------|-----|----|-----|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FLORIDA | 93 | 92 | 90 | 91 | 95 | 94 | 96 | 97 | 97 | 94 | 96 | 93 | 95 |
| Men | 100 | 96 | 100 | 96 | 99 | 103 | 105 | 102 | 100 | 101 | 102 | 97 | 101 |
| Women | 87 | 88 | 83 | 86 | 91 | 84 | 89 | 91 | 95 | 88 | 90 | 89 | 89 |
| Under age 60 | 94 | 94 | 93 | 93 | 98 | 97 | 98 | 99 | 100 | 96 | 98 | 94 | 98 |
| Aged 60 and over | 89 | 86 | 84 | 84 | 87 | 86 | 91 | 93 | 91 | 88 | 91 | 91 | 87 |
| Income under \$30,000 | 82 | 82 | 75 | 80 | 84 | 80 | 83 | 86 | 83 | 81 | 84 | 84 | 78 |
| Income \$30,000 and over | 100 | 97 | 100 | 96 | 101 | 101 | 105 | 102 | 103 | 101 | 102 | 100 | 101 |

Personal financial situation now compared to a year ago

| | | | | | | | | | | | | | |
|--------------------------|----|----|----|----|----|----|----|----|-----|----|----|----|----|
| FLORIDA | 83 | 81 | 82 | 84 | 82 | 81 | 85 | 85 | 88 | 84 | 86 | 82 | 85 |
| Men | 90 | 81 | 90 | 83 | 84 | 88 | 94 | 90 | 90 | 89 | 93 | 89 | 90 |
| Women | 77 | 80 | 75 | 84 | 79 | 74 | 78 | 80 | 86 | 81 | 80 | 77 | 82 |
| Under age 60 | 90 | 86 | 88 | 91 | 86 | 87 | 91 | 89 | 93 | 88 | 94 | 90 | 92 |
| Aged 60 and over | 62 | 68 | 65 | 64 | 72 | 67 | 71 | 77 | 75 | 75 | 71 | 65 | 71 |
| Income under \$30,000 | 70 | 70 | 58 | 74 | 63 | 57 | 74 | 61 | 64 | 63 | 62 | 67 | 55 |
| Income \$30,000 and over | 92 | 87 | 95 | 90 | 91 | 93 | 95 | 96 | 100 | 96 | 98 | 94 | 99 |

Personal financial situation expected one year from now

| | | | | | | | | | | | | | |
|--------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FLORIDA | 102 | 105 | 100 | 101 | 101 | 100 | 100 | 102 | 100 | 101 | 102 | 99 | 103 |
| Men | 103 | 106 | 104 | 104 | 103 | 106 | 101 | 101 | 98 | 113 | 108 | 98 | 110 |
| Women | 100 | 103 | 96 | 98 | 99 | 95 | 100 | 103 | 102 | 92 | 96 | 100 | 97 |
| Under age 60 | 108 | 110 | 106 | 109 | 108 | 110 | 108 | 112 | 107 | 110 | 111 | 106 | 111 |
| Aged 60 and over | 80 | 89 | 82 | 77 | 81 | 80 | 83 | 78 | 84 | 81 | 82 | 85 | 83 |
| Income under \$30,000 | 89 | 98 | 86 | 91 | 96 | 91 | 91 | 90 | 90 | 91 | 96 | 95 | 86 |
| Income \$30,000 and over | 109 | 110 | 109 | 108 | 106 | 106 | 109 | 110 | 105 | 107 | 106 | 106 | 109 |

Expected national economic conditions over the next year

| | | | | | | | | | | | | | |
|--------------------------|----|----|----|----|-----|-----|-----|-----|-----|----|----|----|----|
| FLORIDA | 89 | 88 | 83 | 85 | 91 | 92 | 97 | 97 | 97 | 87 | 90 | 85 | 87 |
| Men | 97 | 94 | 97 | 95 | 94 | 106 | 110 | 105 | 101 | 96 | 96 | 93 | 95 |
| Women | 82 | 84 | 72 | 77 | 88 | 79 | 86 | 90 | 94 | 81 | 84 | 79 | 81 |
| Under age 60 | 87 | 92 | 83 | 85 | 95 | 94 | 96 | 98 | 100 | 88 | 91 | 81 | 88 |
| Aged 60 and over | 95 | 78 | 85 | 86 | 83 | 88 | 96 | 98 | 92 | 85 | 88 | 95 | 87 |
| Income under \$30,000 | 80 | 82 | 74 | 75 | 74 | 84 | 83 | 87 | 86 | 79 | 74 | 78 | 71 |
| Income \$30,000 and over | 95 | 92 | 89 | 89 | 100 | 96 | 106 | 101 | 102 | 93 | 98 | 88 | 96 |

Expected national economic conditions over the next 5 years

| | | | | | | | | | | | | | |
|--------------------------|----|----|----|-----|----|-----|-----|-----|----|----|----|-----|----|
| FLORIDA | 84 | 79 | 82 | 84 | 85 | 88 | 89 | 92 | 84 | 88 | 87 | 90 | 87 |
| Men | 96 | 87 | 99 | 100 | 93 | 103 | 105 | 101 | 91 | 96 | 94 | 100 | 97 |
| Women | 75 | 71 | 69 | 72 | 79 | 74 | 78 | 81 | 79 | 82 | 80 | 83 | 78 |
| Under age 60 | 82 | 77 | 82 | 83 | 90 | 91 | 87 | 89 | 84 | 87 | 84 | 89 | 88 |
| Aged 60 and over | 93 | 85 | 83 | 87 | 77 | 84 | 94 | 97 | 85 | 87 | 93 | 94 | 85 |
| Income under \$30,000 | 70 | 64 | 66 | 74 | 75 | 76 | 76 | 85 | 70 | 78 | 83 | 80 | 75 |
| Income \$30,000 and over | 93 | 86 | 93 | 88 | 92 | 94 | 98 | 93 | 90 | 93 | 89 | 97 | 90 |

Is this a good time to buy major household items?

| | | | | | | | | | | | | | |
|--------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FLORIDA | 106 | 106 | 106 | 100 | 114 | 106 | 107 | 109 | 117 | 108 | 115 | 107 | 110 |
| Men | 112 | 110 | 110 | 100 | 119 | 114 | 114 | 116 | 118 | 111 | 119 | 107 | 113 |
| Women | 102 | 103 | 102 | 101 | 110 | 99 | 102 | 102 | 115 | 105 | 111 | 107 | 109 |
| Under age 60 | 104 | 106 | 106 | 99 | 113 | 106 | 106 | 108 | 116 | 106 | 112 | 103 | 111 |
| Aged 60 and over | 117 | 107 | 106 | 106 | 120 | 111 | 110 | 113 | 118 | 112 | 121 | 114 | 111 |
| Income under \$30,000 | 103 | 98 | 91 | 87 | 110 | 91 | 89 | 109 | 107 | 94 | 106 | 99 | 105 |
| Income \$30,000 and over | 111 | 110 | 114 | 106 | 117 | 114 | 116 | 109 | 121 | 116 | 119 | 113 | 113 |

*Revised. †Preliminary.

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CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH

| | | | | | |
|------------------------|-----|-----------------|----|-------------|----|
| Sample Size | 413 | Race | | Gender | |
| | | % Non-white | 22 | % Male | 44 |
| Average age | 51 | % White | 78 | % Female | 56 |
| Income Characteristics | | Hispanic Origin | | Region | |
| % less than \$20,000 | 16 | % Yes | 13 | % North | 20 |
| % \$20,000 to \$29,999 | 16 | % No | 87 | % Central | 20 |
| % \$30,000 to \$49,999 | 16 | | | % Southeast | 27 |
| % over \$50,000 | 42 | | | % Southwest | 33 |