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### *Consumer Confidence*

Consumer confidence among Floridians fell in June to 67, down three points from 70 in May. All five of the components that make up the index declined. The biggest decline was in perceptions of personal finances now compared to a year ago which fell nine points to 45. Perceptions of personal finances one year from now fell four points to 75. Perceptions of U.S. economic conditions over the next year fell two points to 64 while perceptions of U.S. economic conditions over the next five years fell two points to 70. Perceptions as to whether it is a good time to buy big-ticket items that often require credit or loans fell one point to 79.

“We had expected consumer confidence to decline due to the effects of the oil spill,” said Chris McCarty, the Survey Director. “What we did not expect was the main effect to be in the components measuring perceptions of personal finances both now and in the future. It is not unusual for consumer confidence to decline from major events, such as 911 or a hurricane. Typically these show up in the component measuring perceptions of U.S. economic conditions over the next year. It is not unusual for that component to rebound as consumers process the event and realize that it does not necessarily affect them as consumers. The personal finance questions tend to be much less volatile and reflect real effects on consumers that tend not to rebound quickly. The decline in the personal finance questions suggests that on top of the weak recovery, the oil spill has caused some real economic pain, such as through jobs related to tourism and perceptions of lower property values. We don’t expect this decline in perceptions of personal finances to turn around quickly.”

Overall economic news for Floridians has been mixed. Prior to the oil spill, housing sales had been fairly strong and housing prices for lower priced homes appeared to have hit a bottom. There has been a dramatic decline in home sales, particularly new home sales, as the tax rebates ended in April. The media attention from the oil spill will not help. Unemployment in Florida registered the second straight decline of .3 percent, and is now 11.7 percent. This is still historically high, and many of the declines are likely due to temporary Census hires which will disappear after June.

“The economic effects of the oil spill are only now starting to show up in the data, although they have been known to residents and businesses along Florida’s west coast for nearly two months,” said McCarty. “It is likely that sales tax revenues, already down from the recession, will decline further as tourists put off trips. This will inevitably translate to a budget deficit in next year’s Legislative session which promises to be more difficult than the one that just ended. Until the leaking oil is at least stopped, and the short and long term effects are known, it is unlikely that consumer confidence will regain these losses. We should expect confidence, and therefore retail sales, to be anemic through the summer and perhaps well into the fall.”

**FLORIDA ECONOMIC AND CONSUMER SURVEY†**  
**June 29th, 2010**  
**Bureau of Economic and Business Research**  
**University of Florida**

	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
<b>Consumer Confidence Index</b>													
FLORIDA	69	67	71	72	72	69	69	74	73	71	78	70	67
Men	69	67	74	74	76	70	69	77	71	72	78	75	67
Women	69	66	69	70	69	69	68	71	74	68	78	66	66
Under age 60	70	71	72	76	71	71	68	74	77	73	81	72	69
Aged 60 and over	69	63	70	68	73	67	70	74	67	68	73	68	64
Income under \$30,000	58	63	68	67	67	61	64	67	67	65	70	58	65
Income \$30,000 and over	74	71	73	76	74	74	71	78	76	74	82	75	69
<b>Personal financial situation now compared to a year ago</b>													
FLORIDA	46	43	44	42	44	49	45	53	53	55	57	54	45
Men	47	44	46	43	48	50	47	56	51	59	57	62	46
Women	45	43	41	42	41	49	43	49	56	49	57	48	44
Under age 60	45	45	44	43	39	48	45	53	59	57	59	63	50
Aged 60 and over	48	42	43	41	51	51	45	53	47	52	55	46	40
Income under \$30,000	29	34	39	35	30	34	32	39	38	45	34	29	34
Income \$30,000 and over	53	48	45	46	47	55	52	59	62	61	65	63	49
<b>Personal financial situation expected one year from now</b>													
FLORIDA	84	79	84	81	82	82	80	86	83	82	84	79	75
Men	84	75	84	90	82	80	80	88	84	83	82	83	77
Women	84	83	85	73	82	84	81	83	82	81	86	74	73
Under age 60	93	92	94	95	91	95	90	94	95	91	97	88	84
Aged 60 and over	74	66	72	66	71	70	72	77	68	71	68	68	65
Income under \$30,000	71	78	81	73	79	81	76	84	75	72	90	68	75
Income \$30,000 and over	90	82	88	88	83	85	84	91	88	87	86	84	77
<b>Expected national economic conditions over the next year</b>													
FLORIDA	66	63	72	74	71	65	67	72	68	70	82	66	64
Men	62	62	75	69	72	65	65	73	65	70	83	69	60
Women	69	64	70	78	69	64	70	72	70	69	80	63	67
Under age 60	66	69	72	75	68	67	66	71	71	71	86	67	67
Aged 60 and over	66	58	74	72	74	63	70	74	62	69	78	66	60
Income under \$30,000	53	62	70	78	72	61	72	69	69	59	75	57	67
Income \$30,000 and over	71	67	74	73	73	67	68	73	67	73	88	70	67
<b>Expected national economic conditions over the next 5 years</b>													
FLORIDA	81	72	81	84	80	72	74	79	76	73	79	72	70
Men	77	72	79	81	81	71	73	80	72	72	81	71	71
Women	84	73	82	86	80	72	76	78	80	75	77	74	70
Under age 60	81	72	79	86	78	71	69	77	78	75	83	71	72
Aged 60 and over	82	73	83	82	84	72	80	82	74	72	75	73	70
Income under \$30,000	73	70	89	84	81	63	72	74	78	73	69	68	76
Income \$30,000 and over	86	75	78	84	81	77	75	81	77	74	85	74	71
<b>Is this a good time to buy major household items?</b>													
FLORIDA	68	77	75	80	82	78	75	80	82	73	87	80	79
Men	75	84	86	89	94	83	81	88	83	77	85	87	82
Women	62	69	65	72	72	74	70	73	82	67	89	73	76
Under age 60	65	77	73	80	78	76	69	74	82	71	81	72	74
Aged 60 and over	74	77	79	82	87	81	83	88	83	76	92	88	86
Income under \$30,000	63	71	58	66	75	67	71	68	77	75	79	71	74
Income \$30,000 and over	72	81	82	89	87	84	78	86	86	77	86	83	80

\*Revised. †Preliminary.

**Jun-09 Jul-09 Aug-09 Sep-09 Oct-09 Nov-09 Dec-09 Jan-10 Feb-10 Mar10 Apr-10 May-10 Jun-10**

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**CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH**

<b>Sample Size</b>	435	<b>Race</b>		<b>Gender</b>	
		% Non-white	16	% Male	47
<b>Average age</b>	57	% White	84	% Female	53
<b>Income Characteristics</b>		<b>Hispanic Origin</b>		<b>Region</b>	
% less than \$20,000	18	% Yes	9	% North	26
% \$20,000 to \$29,999	15	% No	91	% Central	18
% \$30,000 to \$49,999	23			% Southeast	22
% over \$50,000	44			% Southwest	34