

From:

UF Survey Research Center
 Bureau of Economic and Business Research
 College of Liberal Arts and Sciences
 University of Florida
 P. O. Box 117145, Gainesville, Florida 32611-7145

Consumer Sentiment

Consumer sentiment in Florida inched up for a third consecutive month in December to 69.5, gaining 1.2 points from a revised figure of 68.3 in November. Meanwhile, national consumer sentiment surged by 8.4 points.

“Though consumer sentiment among Floridians ended 2023 on a positive note, the annual average consumer confidence stands at 67.9 points for the year. This marks the third-lowest level on record since the series began tracking consumer confidence in 1985. The lowest on record was 64.3 in 2022, while the second lowest was 65.6 points, dating back 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.

Among the five components that make up the index, three showed an increase and two decreased.

Floridians had mixed opinions about current economic conditions in December. Views of personal financial situations compared with a year ago decreased slightly by seven-tenths of a point, moving from 57.3 to 56.6. However, these views were divided among sociodemographic groups, with men, people age 60 and older, and people with an annual income under \$50,000 expressing more favorable opinions. In contrast, opinions on whether now is a good time to purchase major household items, such as appliances, increased by 1.9 points, rising from 59.1 to 61. However, these views were also divided, with people younger than 60 and people with an annual income above \$50,000 expressing less favorable opinions.

Likewise, Floridians’ opinions about future economic conditions were mixed. Expectations of personal finances a year from now showed the steepest decline in this month’s reading, tumbling 4.1 points from 85.7 to 81.6. Remarkably, these pessimistic views were shared by all Floridians but were particularly strong among women and people 60 and older. On the contrary, expectations about U.S. economic conditions over the next year surged 5.6 points, rising from 66 to 71.6. Similarly, expectations about U.S. economic conditions over the next five years rose 3.1 points, moving from 73.4 to 76.5. Notably, these optimistic outlooks about the country’s economy were shared by all Floridians with the exception of women, whose expectations over the next year were pessimistic.

As 2023 ends, economic indicators remain favorable, and the prospects for 2024 are encouraging. Inflation has declined steadily throughout 2023, from 6.4% in January to 3.1% in November. Similarly, core inflation—which excludes volatile food and energy items—moved from 5.6% to 4% over the same period. Additionally, one-year ahead inflation expectations are the lowest in two and a half years. While inflation in Florida has remained higher than national inflation, it has also declined throughout 2023. Moreover, while the labor market has continued to ease as the Federal Reserve

drove interest rates to a 22-year high in the summer, it has remained resilient and continued to grow. In Florida, the labor force surpassed 11 million workers for the first time in June. Notably, the state gained jobs every month throughout the year, and according to the latest report, the unemployment rate was 2.9% in November, up 0.1 percentage point from October and up 0.2 percentage point from a year ago.

“The current economic outlook has led the Fed to hold off on increasing interest rates, with expectations of rate cuts next year. This scenario, characterized by low unemployment, moderated job gains, and easing inflation, aligns with what is referred to as a “soft landing,” where inflation cools without triggering a recession. Importantly, the current economic outlook indicates that 2023 is concluding without a recession,” Sandoval said.

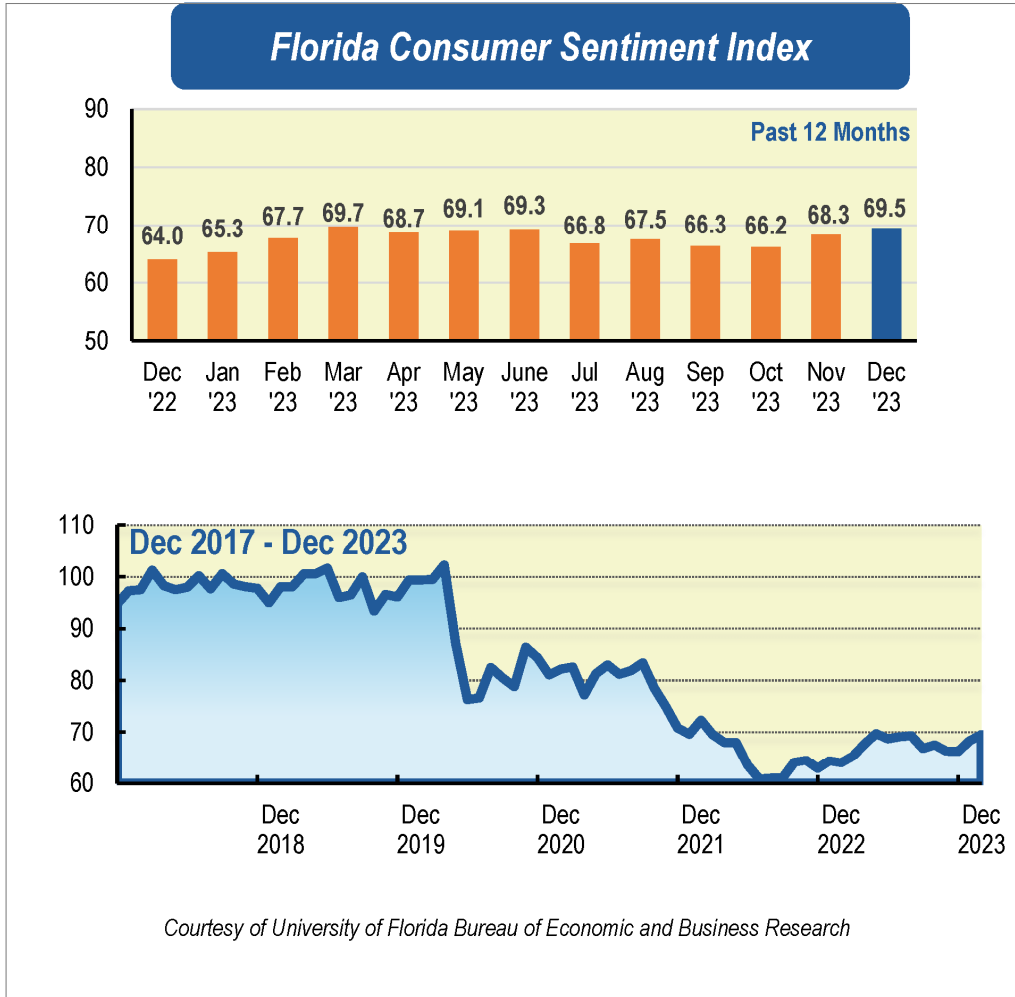
“Looking ahead, given the economic outlook, we expect gradual improvements in consumer sentiment among Floridians in the months ahead,” said Sandoval.

Conducted November 1 through December 22, the UF study reflects the responses of 332 individuals who were reached on cellphones and 260 individuals reached through an online panel, a total of 592 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/>

Writer: Elizabeth Lynch, elynch@ufl.edu

Contact: Hector Sandoval, 352-392-2908, ext. 219, hsandoval@ufl.edu



FLORIDA ECONOMIC AND CONSUMER SURVEY†
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University of Florida

	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Consumer Sentiment Index													
FLORIDA	64.0	65.3	67.7	69.7	68.7	69.1	68.9	66.8	67.5	66.3	66.4	68.3	69.5
Men	64.4	65.8	70.8	72.2	71.1	70.5	67.1	67.6	70.1	67.7	68.0	67.1	71.4
Women	63.7	64.9	64.8	67.4	66.4	67.7	70.7	66.0	64.9	64.9	65.0	69.4	67.7
Under age 60	70.7	73.4	73.9	77.0	75.7	73.5	73.0	71.5	71.3	68.6	68.2	71.0	72.4
Aged 60 and over	55.4	53.6	57.2	58.1	57.9	62.1	62.3	58.8	60.3	62.4	63.4	62.0	64.6
Income under \$50,000	67.5	67.9	65.8	66.2	66.5	69.3	69.5	62.2	65.5	66.3	63.6	64.4	65.7
Income \$50,000 and over	63.4	63.3	68.9	72.8	71.6	70.0	68.2	69.6	68.4	66.3	69.3	71.9	72.9

Personal financial situation now compared to a year ago

FLORIDA	54.6	55.4	58.6	60.7	62.6	64.0	59.9	59.8	63.2	56.1	54.2	57.3	56.6
Men	53.8	56.3	64.2	64.9	67.4	70.2	60.4	60.2	65.8	57.9	55.2	57.7	61.4
Women	55.4	54.5	53.3	56.8	57.9	58.0	59.5	59.4	60.6	54.5	53.2	56.9	52.2
Under age 60	61.4	62.6	64.8	67.0	69.6	69.7	66.4	66.3	67.0	59.2	58.4	63.5	62.0
Aged 60 and over	45.6	44.2	48.4	51.2	52.3	56.2	50.4	48.6	55.0	50.9	46.7	43.6	47.6
Income under \$50,000	47.5	46.6	47.5	53.9	56.9	55.8	54.2	48.8	54.7	51.3	43.4	47.8	48.5
Income \$50,000 and over	60.8	59.9	66.2	66.4	67.1	68.9	62.1	67.5	70.3	61.2	63.9	64.7	61.9

Personal financial situation expected one year from now

FLORIDA	76.5	79.7	81.5	83.8	83.6	83.2	82.7	81.4	79.9	79.9	83.7	85.7	81.6
Men	75.8	79.0	83.2	85.5	84.9	81.9	78.0	80.4	80.0	80.4	85.8	83.3	81.2
Women	77.3	80.5	79.9	82.3	82.3	84.6	87.3	82.3	79.9	79.4	81.8	87.9	82.1
Under age 60	88.7	94.9	94.2	97.7	95.6	92.3	90.7	90.1	90.1	89.4	92.5	92.2	91.2
Aged 60 and over	59.7	56.9	59.8	61.5	63.8	69.1	69.9	66.6	61.7	63.9	69.1	71.1	64.4
Income under \$50,000	82.9	84.0	81.2	79.3	79.9	83.0	80.9	77.8	80.0	80.5	81.8	83.3	78.3
Income \$50,000 and over	75.3	77.2	81.4	87.1	87.4	85.7	84.2	83.6	79.5	79.9	86.5	89.1	86.2

Expected national economic conditions over the next year

FLORIDA	62.9	64.0	67.6	69.7	66.3	66.9	66.6	63.5	67.4	67.0	64.8	66.0	71.6
Men	62.6	60.8	66.4	69.3	68.4	67.5	62.3	63.8	69.5	66.1	63.6	61.2	73.4
Women	63.2	67.1	68.7	70.0	64.2	66.3	70.8	63.2	65.3	67.8	65.9	70.4	69.9
Under age 60	69.8	72.0	72.6	77.5	75.6	71.5	68.0	68.0	72.2	68.0	64.3	67.6	74.6
Aged 60 and over	55.0	52.6	58.7	58.3	52.1	58.4	62.5	55.7	58.8	65.2	65.2	61.2	66.6
Income under \$50,000	68.6	70.9	69.9	67.9	67.6	71.3	70.1	61.5	68.0	71.8	67.7	64.6	67.1
Income \$50,000 and over	60.6	59.4	66.7	72.9	67.7	65.0	64.2	65.0	66.2	63.1	63.3	68.1	75.6

Expected national economic conditions over the next 5 years

FLORIDA	70.9	72.2	73.0	76.7	71.7	69.2	72.9	71.2	71.4	72.1	72.7	73.4	76.5
Men	73.9	74.0	76.7	80.5	72.0	67.2	73.5	74.9	75.4	73.5	75.0	74.8	79.9
Women	68.0	70.5	69.5	73.1	71.4	71.2	72.2	67.7	67.4	70.6	70.5	72.2	73.3
Under age 60	73.8	78.4	77.5	82.7	76.4	70.5	74.4	73.5	71.8	71.0	70.3	72.1	76.0
Aged 60 and over	67.0	63.7	65.7	66.9	63.9	66.2	69.0	67.9	71.4	74.1	76.5	75.8	78.2
Income under \$50,000	74.9	74.7	71.0	73.2	72.5	72.9	74.4	67.6	69.9	71.4	71.8	73.4	75.9
Income \$50,000 and over	68.9	69.2	73.0	78.5	71.6	66.8	71.9	74.0	71.8	71.4	72.8	74.9	78.5

Is this a good time to buy major household items?

FLORIDA	55.2	55.3	57.9	57.6	59.6	61.9	62.5	58.2	55.5	56.3	56.9	59.1	61.0
Men	55.7	58.8	63.5	60.7	63.0	65.6	61.5	58.8	59.6	60.6	60.2	58.7	61.1
Women	54.6	51.9	52.6	54.8	56.2	58.3	63.5	57.6	51.3	52.2	53.7	59.4	60.9
Under age 60	59.7	59.1	60.2	60.3	61.2	63.6	65.5	59.7	55.5	55.5	55.4	59.6	58.2
Aged 60 and over	49.5	50.8	53.3	52.7	57.5	60.6	59.5	55.3	54.7	57.6	59.4	58.2	66.2
Income under \$50,000	63.7	63.3	59.3	56.8	55.8	63.4	67.9	55.5	55.1	56.3	53.1	53.0	58.4
Income \$50,000 and over	51.2	50.7	57.2	59.1	64.4	63.5	58.7	57.9	54.4	55.8	60.2	62.5	62.4

*Revised. †Preliminary.

FLORIDA ECONOMIC AND CONSUMER SURVEY†
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Bureau of Economic and Business Research
University of Florida

Sample Size	592	Race		Gender	
		% Non-white	26	% Male	49
Average age	49	% White	74	% Female	51
Income Characteristics		Hispanic Origin		Region	
less than \$20,000:	9.2	% Yes	22	% North	21.3
\$20,000 to \$29,999:	9.4	% No	78	% Central	20.8
\$30,000 to \$49,999:	21.6			% Southeast	24.2
over \$50,000:	59.8			% Southwest	33.7

Data Collection Dates: November 1 through December 22, 2023