



Consumer confidence in Florida rose overall

From:
UF Survey Research Center
Bureau of Economic and Business Research
Warrington College of Business Administration
University of Florida
P. O. Box 117145, Gainesville, Florida 32611-7145

Contact:
Chris McCarty, Survey Director
Office: (352) 392-2908 ext. 100

Consumer Confidence

Consumer confidence among Floridians rose in February by three points. The overall index now stands at 96 compared to a revised index of 93 for January. The main source of the increase was a sharp rise in perceptions of personal finances now compared to a year ago which rose six points to 91, and a six point increase in perceptions of the US economy over the next year. Perceptions of whether it is a good time to buy big ticket items rose four points to 114. The remaining two index components fell slightly, perceptions of future finances falling to 97 from 98 in January, and perceptions of US business conditions over the next five years falling from 88 in January to 87 in February.

“Florida seems to be doing better than most other states,” said Chris McCarty, the Survey Director. “Consumer confidence nationally as measured by the University of Michigan has fallen, although slightly, for the past two months while here in Florida we see gains. Florida has had the biggest increases in employment over the past year, and at 4.5% a lower rate of unemployment than many other states. High energy prices and rising interest rates don’t seem to be putting as much of a drag on the Florida consumer as they have in other areas of the country.”

Despite increases in short term interest rates by the Federal Reserve, long term interest rates on mortgages have fallen recently. This has led to some increased activity in the refinancing market, although nothing like the rates of refinancing from a year ago. Retail sales nationally have declined recently, although this is almost entirely due to declines in auto sales. Florida retail sales, excluding autos, are most likely stronger than the nation as a whole, although the data are not reported by state.

“We have been tracking some of the consumer confidence components by age and income groups over the past few months,” said McCarty. “While there has been some improvement in perceptions of personal finances for both Florida seniors and low income households, there is still some pessimism about personal finances a year from now. It appears that some of the pessimism from previous months that we attributed to discussions about changes to Social Security has reversed. There has been sufficient media attention that the initial shock of potential changes has been absorbed. We do expect that most of those at or near retirement will be waiting for more concrete proposals from both the White House and Congress.”

FLORIDA ECONOMIC AND CONSUMER SURVEY
February 22, 2005
Bureau of Economic and Business Research
University of Florida

Feb-04 Mar-04 Apr-04 May-04 Jun-04 Jul-04 Aug-04 Sep-04 Oct-04 Nov-04 Dec-04 Jan-05* Feb-05†

Consumer Confidence Index

FLORIDA	97	94	96	93	95	94	95	93	93	93	91	93	96
Men	100	101	102	97	100	98	105	102	100	103	97	99	101
Women	95	88	90	89	91	92	89	87	88	87	86	89	92
Under age 60	100	96	98	94	99	97	102	97	96	96	96	96	99
Aged 60 and over	91	88	91	91	86	87	81	84	85	90	82	90	94
Income under \$30,000	83	81	84	84	79	80	85	81	83	78	75	82	80
Income \$30,000 and over	103	101	102	100	102	102	103	100	100	102	99	101	102

Personal financial situation now compared to a year ago

FLORIDA	88	84	86	82	86	83	88	85	81	85	87	85	91
Men	90	89	93	89	89	83	98	92	83	97	90	90	100
Women	86	81	80	77	83	83	82	80	78	76	84	80	83
Under age 60	93	88	94	90	91	90	100	90	87	94	93	90	98
Aged 60 and over	75	75	71	65	72	67	60	71	67	69	75	75	79
Income under \$30,000	64	63	62	67	58	61	69	67	62	52	64	65	69
Income \$30,000 and over	100	96	98	94	98	96	100	97	91	103	98	97	100

Personal financial situation expected one year from now

FLORIDA	100	101	102	99	104	95	103	100	101	100	94	98	97
Men	98	113	108	98	109	99	113	109	109	108	99	102	101
Women	102	92	96	100	99	93	97	94	95	94	91	94	93
Under age 60	107	110	111	106	111	101	115	110	111	107	107	104	104
Aged 60 and over	84	81	82	85	85	81	77	77	79	86	69	86	83
Income under \$30,000	90	91	96	95	87	85	99	92	95	92	84	91	82
Income \$30,000 and over	105	107	106	106	109	102	107	108	107	106	101	104	103

Expected national economic conditions over the next year

FLORIDA	97	97	87	90	85	88	91	89	87	87	88	82	86
Men	105	101	96	96	93	93	95	99	98	95	97	90	93
Women	90	94	81	84	79	85	89	83	79	80	82	76	81
Under age 60	98	100	88	91	81	91	93	91	91	86	86	86	87
Aged 60 and over	98	92	85	88	95	83	88	85	78	87	92	76	85
Income under \$30,000	87	86	79	74	78	71	82	84	77	79	74	67	74
Income \$30,000 and over	101	102	93	98	88	97	98	94	91	91	96	89	95

Expected national economic conditions over the next 5 years

FLORIDA	84	88	87	90	88	94	89	90	92	85	87	88	87
Men	91	96	94	100	95	99	102	98	104	99	95	93	92
Women	79	82	80	83	81	91	81	85	82	74	81	84	82
Under age 60	84	87	84	89	89	93	92	91	95	80	88	87	86
Aged 60 and over	85	87	93	94	84	97	82	91	85	94	87	90	90
Income under \$30,000	70	78	83	80	78	84	74	82	86	74	65	76	70
Income \$30,000 and over	90	93	89	97	91	98	99	93	98	91	96	94	92

Is this a good time to buy major household items?

FLORIDA	117	108	115	107	109	107	108	102	105	109	104	110	114
Men	118	111	119	107	112	112	115	112	107	112	112	114	114
Women	115	105	111	107	107	105	104	96	102	107	97	106	115
Under age 60	116	106	112	103	110	109	112	102	103	110	106	110	115
Aged 60 and over	118	112	121	114	107	103	101	103	108	108	102	109	117
Income under \$30,000	107	94	106	99	102	89	97	86	93	99	96	99	107
Income \$30,000 and over	121	116	119	113	113	116	118	111	110	114	108	116	116

*Revised. †Preliminary.

FLORIDA ECONOMIC AND CONSUMER SURVEY
February 22, 2005
Bureau of Economic and Business Research
University of Florida

CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH

Sample Size	411	Race		Gender	
		% Non-white	13	% Male	46
Average age	51	% White	87	% Female	54
Income Characteristics		Hispanic Origin		Region	
% less than \$20,000	16	% Yes	10	% North	20
% \$20,000 to \$29,999	12	% No	90	% Central	17
% \$30,000 to \$49,999	29			% Southeast	28
% over \$50,000	43			% Southwest	35