

**FLORIDA CONSUMER CONFIDENCE INDEX**  
**December 26, 2006**  
**FOR IMMEDIATE RELEASE**



From:  
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***Consumer Confidence***

Consumer confidence among Floridians declined in December after three solid months of gains. Confidence fell from 93 in November to 89 in December. The source of the fall was in four of the five components. Perceptions of personal finances now compared to a year ago fell one point to 83, while expectations about finances a year from now fell seven points to 94. Expectations about national economic conditions over the next year fell six points to 82, while expectations about US economic conditions over the next five years fell nine points to 84. Only perceptions of current buying conditions rose, and that by only one point to 102. Overall consumer confidence is two points lower than a year ago. The declines in December were more pronounced among seniors and low-income households as upper income households experienced a lift from record gains in the stock market.

“The release this month shows a Florida consumer who is still reasonably optimistic about the economy at present, but is expecting a decline in their finances and the overall economy over the next year,” said Chris McCarty, the Survey Director. “So far this holiday season, consumers have been buying electronics and appliances, largely fueled by deep discounting from retailers. Although total sales are unlikely to be exceptional, it is expected that many consumers will make a large percentage of their purchases on the weekend before Christmas. Unseasonably warm weather is affecting clothing sales negatively.”

Throughout most of 2006, consumer confidence has been driven by changes in gasoline prices, which are up ten cents in Florida compared to October. Oil prices, and thus the price of gasoline, face competing forces. OPEC (The Organization of Petroleum Exporting Countries) announced a planned reduction in barrels produced per day, which would typically drive the price higher. However, warmer weather across the US has reduced demand. These factors will in part balance each other out.

“A bigger question is the extent to which the decline in housing will impact Floridians,” said McCarty. “I had expected a much larger downside effect of the cooling housing market by this time. Sales data show that all markets in Florida are experiencing lower sales of both existing homes and condos, and in many markets the median price of homes are declining. Data from the Mortgage Bankers Association show a resurgence in refinancing activity, although the most recent report shows a decline in both mortgage and refinancing applications. My expectation is that housing, particularly in Florida, will continue to decline at least through the second quarter of 2007. This will put downward pressure on consumers, resulting in lower consumer confidence and a pullback in spending.”

**FLORIDA ECONOMIC AND CONSUMER SURVEY†**  
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**University of Florida**

Dec-05   Jan-06   Feb-06   Mar-06   Apr-06   May-06   Jun-06   Jul-06   Aug-06   Sep-06   Oct-06   Nov-06\*   Dec-06†

**Consumer Confidence Index**

FLORIDA	91	95	87	91	86	86	88	87	77	83	90	93	89
Men	96	99	92	99	94	93	91	92	84	90	98	96	94
Women	87	92	83	84	82	81	86	84	72	78	84	91	85
Under age 60	95	96	89	94	91	87	93	90	79	86	94	96	91
Aged 60 and over	83	92	84	86	81	83	82	79	73	80	82	88	86
Income under \$30,000	81	83	77	77	75	67	70	74	62	72	81	83	74
Income \$30,000 and over	97	100	92	97	93	92	95	91	83	89	95	98	96

**Personal financial situation now compared to a year ago**

FLORIDA	88	88	83	89	84	88	87	80	74	76	82	84	83
Men	90	94	89	95	91	95	92	87	76	78	95	93	87
Women	85	84	78	83	80	84	83	76	72	75	74	78	81
Under age 60	93	93	88	98	94	97	93	87	79	81	90	92	85
Aged 60 and over	76	80	76	73	67	72	78	65	62	66	69	70	80
Income under \$30,000	61	61	71	66	65	51	61	47	52	53	59	57	61
Income \$30,000 and over	98	97	91	101	94	102	96	91	81	85	91	96	94

**Personal financial situation expected one year from now**

FLORIDA	95	99	95	96	92	92	94	98	91	89	97	101	94
Men	100	104	97	102	95	99	92	103	98	90	105	104	92
Women	92	96	93	90	90	88	95	95	86	87	91	97	96
Under age 60	105	109	106	107	107	99	106	107	100	101	109	111	104
Aged 60 and over	73	83	77	75	68	77	72	76	71	69	74	82	77
Income under \$30,000	89	96	81	85	82	74	77	82	77	83	88	84	89
Income \$30,000 and over	99	104	103	101	101	99	102	104	98	93	102	107	98

**Expected national economic conditions over the next year**

FLORIDA	84	86	77	81	76	73	77	76	62	73	83	88	82
Men	90	92	81	93	88	85	87	78	68	86	96	93	88
Women	79	81	74	70	68	66	69	74	57	64	75	85	78
Under age 60	87	84	78	78	74	70	80	76	60	72	84	86	83
Aged 60 and over	81	89	76	86	80	81	76	73	64	78	83	93	83
Income under \$30,000	86	80	69	71	71	61	61	74	49	63	73	76	64
Income \$30,000 and over	86	90	81	82	79	78	85	75	65	79	90	91	90

**Expected national economic conditions over the next 5 years**

FLORIDA	84	90	79	83	78	75	86	82	73	77	85	93	84
Men	91	94	85	96	91	80	89	89	85	88	92	92	93
Women	78	87	74	72	70	72	83	77	65	70	81	94	77
Under age 60	86	86	76	84	79	73	86	82	71	76	86	94	85
Aged 60 and over	81	97	84	84	80	79	85	81	79	84	84	91	82
Income under \$30,000	82	78	66	73	68	61	65	76	60	70	87	94	67
Income \$30,000 and over	86	94	84	86	86	80	90	83	76	84	87	92	92

**Is this a good time to buy major household items?**

FLORIDA	105	109	102	106	102	100	98	100	87	100	101	101	102
Men	107	109	107	109	104	108	97	105	93	108	103	100	112
Women	103	109	97	104	101	95	100	96	82	94	100	101	94
Under age 60	104	109	98	104	101	97	98	100	84	100	102	98	98
Aged 60 and over	105	113	107	110	107	106	99	98	92	102	99	105	109
Income under \$30,000	89	100	101	91	91	87	88	89	74	90	98	104	88
Income \$30,000 and over	114	113	101	112	107	103	102	103	92	108	102	103	107

\*Revised. †Preliminary.

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**CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH**

Sample Size	420	Race		Gender	
		% Non-white	16	% Male	44
Average age	54	% White	84	% Female	56
Income Characteristics		Hispanic Origin		Region	
% less than \$20,000	17	% Yes	11	% North	23
% \$20,000 to \$29,999	11	% No	89	% Central	17
% \$30,000 to \$49,999	26			% Southeast	26
% over \$50,000	46			% Southwest	34