

**FLORIDA CONSUMER CONFIDENCE INDEX**  
**January 25th, 2011**  
**FOR IMMEDIATE RELEASE**



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 soared in January up seven points to 77 from the revised December index of 70. All five of the components making up consumer confidence registered gains. Perceptions of personal finances now compared to a year ago rose four points to 55 while perceptions of personal finances a year from now rose two points to 83. Perceptions of U.S. economic conditions over the next year rose 12 points to 78 while perceptions of U.S. economic conditions over the next five years rose six points to 84. Perceptions as to whether it is a good time to buy big ticket consumer items rose eight points to 84.

“The size of this increase in confidence among Floridians was not expected,” said Chris McCarty, the Survey Director. “Confidence among Floridians had been mired in the low 70s for the past few months, consistent with other economic indicators that characterize the Florida economy. This rise is unusual given the University of Michigan’s preliminary reading for U.S. consumer sentiment which declined in January to 72.7. In the past we have noted some seasonality to the January reading, some of which may be due to the influx of snowbirds. January and February exhibit the highest levels of snowbirds. It is worth noting that the biggest increases were in perceptions of economic conditions in the short and long term. Much of this likely has to do with sustained gains in the stock market over the past two months.”

The Dow and S&P Industrial Average have registered steady increases. Expectations are that this bull market will continue through the year. The gains are being driven by leaner companies who have a more international footprint than in the past. Floridians with investments in the stock market, either directly or through 401(k) and pensions have seen real improvements in their portfolios. Employment remains a significant problem with December unemployment at 12 percent. While most economists expect marked improvement on the job front over the next year, the level of unemployment will remain high over the next few years. Over time new jobs outside of the construction sector will replace many of those lost and many of those unemployed but near retirement will opt for early Social Security at age 62. Over the next five years the combination of those factors will reduce unemployment in Florida.

The housing market in Florida lost some value again in December with the median price of a single family home now down to \$133,100. Overall the declines have been less dramatic over the past year and are not expected to fall precipitously, although there is still room for some decline. Inflation will become a factor over the next year with the price of gasoline and basic foods increasing. Unlike other periods of inflation this rise in prices is not expected to be short term. Much of it is driven by increased and permanent demand from growing economies such as China and India.

“We attribute a big part of the increase in Florida’s consumer confidence to increases in the stock market,” said McCarty. “We also attribute some to a feedback effect from recent media coverage that seems to focus on improvements in the economy, although coverage of Florida does not seem disproportionately positive. It will be interesting to compare the final U.S. number from the University of Michigan due on January 28<sup>th</sup>. Looking forward we expect consumer confidence to fall back to the low 70s, particularly as both the federal and state government announce many of the inevitable spending cuts to balance budgets. Many of those cuts will affect Florida consumers directly, and will potentially affect the stock market, which is the most positive indicator this month.”

**FLORIDA ECONOMIC AND CONSUMER SURVEY†**  
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	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11
<b>Consumer Confidence Index</b>													
FLORIDA	74	73	71	78	70	67	66	66	68	73	71	70	77
Men	77	71	72	78	75	67	68	70	69	75	73	73	82
Women	71	74	68	78	66	67	64	63	68	72	70	67	72
Under age 60	74	77	73	81	72	70	70	67	72	74	72	75	80
Aged 60 and over	74	67	68	73	68	64	62	65	64	73	70	66	76
Income under \$30,000	67	67	65	70	58	65	58	59	63	61	65	65	72
Income \$30,000 and over	78	76	74	82	75	69	71	70	69	79	74	74	77
<b>Personal financial situation now compared to a year ago</b>													
FLORIDA	53	53	55	57	54	46	48	51	49	54	56	51	55
Men	56	51	59	57	62	45	52	58	54	59	58	55	57
Women	49	56	49	57	48	47	44	46	44	51	55	45	53
Under age 60	53	59	57	59	63	51	53	55	53	55	54	52	59
Aged 60 and over	53	47	52	55	46	40	43	47	45	54	58	49	52
Income under \$30,000	39	38	45	34	29	36	35	39	31	34	42	38	43
Income \$30,000 and over	59	62	61	65	63	51	55	59	55	63	62	56	58
<b>Personal financial situation expected one year from now</b>													
FLORIDA	86	83	82	84	79	76	75	78	78	84	78	81	83
Men	88	84	83	82	83	76	76	78	77	85	80	84	88
Women	83	82	81	86	74	75	73	77	79	83	76	76	78
Under age 60	94	95	91	97	88	85	89	88	90	91	90	100	95
Aged 60 and over	77	68	71	68	68	66	62	68	66	79	66	64	74
Income under \$30,000	84	75	72	90	68	76	68	73	74	76	67	78	86
Income \$30,000 and over	91	88	87	86	84	77	80	83	79	89	83	86	81
<b>Expected national economic conditions over the next year</b>													
FLORIDA	72	68	70	82	66	64	61	58	63	67	69	66	78
Men	73	65	70	83	69	63	63	58	62	67	71	68	82
Women	72	70	69	80	63	66	60	57	63	68	68	63	74
Under age 60	71	71	71	86	67	67	65	60	69	69	71	68	79
Aged 60 and over	74	62	69	78	66	60	58	56	55	67	67	64	78
Income under \$30,000	69	69	59	75	57	65	59	54	68	61	74	67	80
Income \$30,000 and over	73	67	73	88	70	66	64	61	59	69	67	68	75
<b>Expected national economic conditions over the next 5 years</b>													
FLORIDA	79	76	73	79	72	71	70	69	76	77	77	78	84
Men	80	72	72	81	71	73	68	73	71	76	78	77	90
Women	78	80	75	77	74	70	72	65	80	77	76	78	78
Under age 60	77	78	75	83	71	72	68	65	74	77	77	79	86
Aged 60 and over	82	74	72	75	73	71	73	72	79	78	75	75	83
Income under \$30,000	74	78	73	69	68	74	65	64	81	65	71	79	79
Income \$30,000 and over	81	77	74	85	74	72	71	73	73	83	79	79	82
<b>Is this a good time to buy major household items?</b>													
FLORIDA	80	82	73	87	80	77	75	74	75	84	77	76	84
Men	88	83	77	85	87	79	81	81	79	87	78	82	91
Women	73	82	67	89	73	75	69	68	72	81	75	70	77
Under age 60	74	82	71	81	72	72	76	68	75	79	71	75	78
Aged 60 and over	88	83	76	92	88	84	74	81	76	89	82	77	90
Income under \$30,000	68	77	75	79	71	72	64	66	62	71	69	64	74
Income \$30,000 and over	86	86	77	86	83	78	84	76	80	89	80	82	88

\*Revised. †Preliminary.

**Jan-10 Feb-10 Mar-10 Apr-10 May-10 Jun-10 Jul-10 Aug-10 Sep-10 Oct-10 Nov-10 Dec-10 Jan-11**

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**CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH**

<b>Sample Size</b>	418	<b>Race</b>		<b>Gender</b>	
		% Non-white	12	% Male	51
<b>Average age</b>	60	% White	88	% Female	49
<b>Income Characteristics</b>		<b>Hispanic Origin</b>		<b>Region</b>	
% less than \$20,000	19	% Yes	5	% North	22
% \$20,000 to \$29,999	12	% No	95	% Central	16
% \$30,000 to \$49,999	23			% Southeast	23
% over \$50,000	46			% Southwest	38