

**FLORIDA CONSUMER CONFIDENCE INDEX**  
**February 24, 2009**  
**FOR IMMEDIATE RELEASE**



From:  
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*Consumer Confidence*

Consumer confidence among Floridians fell three points in February to 63, four points above the all-time low of 59. All five of the components making up the index fell in February. Perceptions of personal finances now compared to a year ago fell one point to 42 while expectations of personal finances a year from now fell three points to 80. Expectations of U.S. economic conditions over the next year fell four points to 51 while expectations of economic conditions over the next five years fell six points to 69. Perceptions of whether it is a good time to buy big-ticket items fell one point to 73.

“As expected, consumer confidence declined in February as the novelty of a new administration met with the sustained reality of a faltering economy,” said Chris McCarty, the Survey Director. “We saw a temporary increase to confidence in December and January that seems to have been related to optimism about the effectiveness of federal intervention into the economy, and perhaps more importantly, the change to a new administration. It is now clear that neither of these will result in a quick fix to the economy and confidence reflects that. Consumers are reporting severe financial strain and are bracing for the long recession that most economists have predicted.”

In addition to the recently passed \$787 billion dollar stimulus package, the U.S. government has invested trillions to support ailing banks in an effort to bolster both domestic and international financial systems. As job losses in Florida and elsewhere around the country continue to rise, consumers do not see how those investments benefit them. Many financial institutions have survived due to the government intervention, but they are cautious about lending given the write-downs they took on defaulted mortgage loans. Consumers themselves are cautious about taking out loans in an environment where job security is questionable. The combination of scarce credit and cautious consumers resulted in negative retail sales from July to December, although January sales were positive. Consumers are waiting for a clear signal that things are improving. Unlike previous government interventions, the recently passed stimulus package does have a lot in it for everyday consumers. Much of the money is earmarked for health insurance and extended unemployment benefits for those who were laid off. There are tax cuts, although those will be realized over a period of time rather than through a stimulus check like the one in Spring of 2008. The Obama administration recently proposed a Homeowner Affordability and Stimulus Plan which includes relief for troubled homeowners. This plan may end up being one of the big bonuses for Florida where housing sales have been extremely weak. A proposed \$8000 tax rebate for first-time home buyers may stimulate those who are on the fence about committing to buying a house. With Florida median home prices now at 2004 levels, the extra rebate makes home purchases attractive for those who qualify. Increased sales will help stabilize home prices and perhaps more importantly, establish the value of problematic mortgage related assets being held by banks.

“Unfortunately, as time moves on the problems with the economy will become less associated with housing and evolve into something more difficult to resolve,” said McCarty. “There is no doubt that we will be

working through this recession through this year and into 2010. But eventually the economy will turn around. Consumer confidence will remain below 70 through most of 2009 as the underlying problems that led to the recession are worked out.”

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	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09
<b>Consumer Confidence Index</b>													
FLORIDA	73	70	66	63	59	61	67	68	63	62	67	66	63
Men	79	74	67	70	61	65	72	71	67	64	69	67	63
Women	68	66	65	59	57	58	63	67	58	60	65	65	63
Under age 60	73	69	67	64	58	61	65	68	64	64	67	67	62
Aged 60 and over	74	70	64	63	60	60	70	68	62	61	67	65	64
Income under \$30,000	66	62	60	58	56	52	69	61	60	61	62	64	66
Income \$30,000 and over	76	74	67	66	59	62	66	68	65	63	70	68	62
<b>Personal financial situation now compared to a year ago</b>													
FLORIDA	65	64	59	55	51	46	51	49	41	40	39	43	42
Men	71	69	61	68	53	53	56	50	43	46	42	45	45
Women	59	59	58	47	50	41	47	49	38	34	36	40	39
Under age 60	66	67	63	56	56	52	52	50	46	43	40	47	40
Aged 60 and over	64	59	54	56	46	38	47	48	35	37	38	37	44
Income under \$30,000	50	47	40	43	35	34	40	30	38	37	24	29	39
Income \$30,000 and over	71	71	64	61	55	51	52	52	45	41	43	49	44
<b>Personal financial situation expected one year from now</b>													
FLORIDA	84	88	79	77	73	80	82	85	86	81	87	83	80
Men	89	90	80	82	72	84	83	84	88	83	88	87	77
Women	80	87	78	73	73	77	81	87	83	78	86	79	82
Under age 60	91	98	89	84	84	85	86	95	87	89	93	92	87
Aged 60 and over	76	73	65	65	57	68	77	72	83	72	78	73	73
Income under \$30,000	75	72	56	70	68	67	79	82	80	76	90	81	87
Income \$30,000 and over	89	94	85	78	74	81	84	86	88	84	90	85	80
<b>Expected national economic conditions over the next year</b>													
FLORIDA	65	58	52	51	51	51	64	65	57	55	62	55	51
Men	72	60	55	54	54	51	69	68	61	47	62	53	43
Women	59	56	50	48	48	51	61	62	53	63	62	58	58
Under age 60	64	50	49	49	47	48	59	63	56	58	58	55	49
Aged 60 and over	66	67	55	53	55	55	73	65	59	52	65	56	51
Income under \$30,000	66	54	48	50	58	46	75	69	57	64	62	70	62
Income \$30,000 and over	64	60	51	52	48	50	60	60	58	52	62	52	47
<b>Expected national economic conditions over the next 5 years</b>													
FLORIDA	83	76	72	70	69	68	80	77	77	73	78	75	69
Men	86	82	71	75	73	72	88	78	82	73	80	70	68
Women	80	71	73	66	66	66	75	76	72	73	77	80	69
Under age 60	81	71	69	69	64	65	76	76	76	75	77	73	66
Aged 60 and over	86	83	76	71	76	73	88	78	79	71	80	78	71
Income under \$30,000	77	70	46	69	78	58	84	78	79	76	85	79	79
Income \$30,000 and over	84	80	71	72	67	70	78	73	77	72	76	74	63
<b>Is this a good time to buy major household items?</b>													
FLORIDA	69	64	67	64	50	59	57	66	54	62	71	74	73
Men	75	71	69	71	51	66	65	73	62	70	74	80	81
Women	64	58	66	59	50	55	52	59	46	54	67	68	67
Under age 60	62	60	65	60	41	55	51	58	55	53	69	67	66
Aged 60 and over	75	70	68	71	65	66	65	74	54	73	73	83	80
Income under \$30,000	64	68	56	60	42	54	64	47	57	53	49	62	63
Income \$30,000 and over	70	66	64	64	50	58	55	69	58	66	78	79	76

\*Revised. †Preliminary.

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**CHARACTERISTICS OF SURVEY RESPONDENTS FOR CURRENT MONTH**

<b>Sample Size</b>	413	<b>Race</b>		<b>Gender</b>	
		% Non-white	15	% Male	45
<b>Average age</b>	58	% White	85	% Female	55
<b>Income Characteristics</b>		<b>Hispanic Origin</b>		<b>Region</b>	
% less than \$20,000	16	% Yes	10	% North	25
% \$20,000 to \$29,999	13	% No	90	% Central	17
% \$30,000 to \$49,999	23			% Southeast	25
% over \$50,000	48			% Southwest	33