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Hispanics' Consumer Confidence Declines in Fourth Quarter *But Survey Shows Long-Term Economic Outlook Still Bright*

BOCA RATON, Fla. (Jan. 12, 2021) – Hispanics in the United States did not end 2020 with an optimistic view of their financial situations, even as new COVID-19 vaccines are expected to help the nation recover from the devastating effects of the pandemic.

In the fourth quarter of 2020, the Hispanic Consumer Sentiment Index fell to 79.3, about six points shy of the third quarter mark, according to the Florida Atlantic University Business and Economics Polling Initiative (FAU BEPI) in FAU's College of Business.

The fourth quarter number, while about the same as the general population's consumer confidence sentiment published by the University of Michigan, is nearly 22 points lower than it was a year ago before the start of the pandemic.

“Hispanics may be less optimistic due to the fact that the Latino unemployment rate is higher than the overall unemployment rate in the United States,” said Monica Escaleras, Ph.D., director of FAU BEPI.

The fourth quarter poll found that 47 percent of Hispanics said they are better off financially today than a year ago, compared to 57 percent who felt that way during the third quarter. In addition, 62 percent of respondents said they expect to be better off financially in the next year, while 69 percent of respondents felt that way in the third quarter.

The latest survey also revealed that fewer respondents feel it is a good time to buy big-ticket items, while more respondents believe the cost of living has gone up.

Still, Hispanics appear confident in the long-run economic outlook, with 66 percent saying they expect it to be good in the next five years. That's up nine points from the third quarter.

The poll is based on a sampling of 617 Hispanics, 18 years of age and older, from Oct. 1 to Dec. 31, 2020. The margin of error is +/- 3.95 percentage points. The survey was administered using both

landlines via IVR data collection and online data collection using Dynata. Responses for the entire sample were weighted to reflect the national distribution of the Hispanic population by region, education, gender, age and income, according to latest American Community Survey data. The polling results and full cross-tabulations can be viewed at www.business.fau.edu/BEPI.

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About FAU BEPI:

The Florida Atlantic University Business and Economic Polling Initiative conducts surveys on business, economic, political and social issues with a focus on Hispanic attitudes and opinions at regional, state and national levels via planned monthly national surveys. The initiative subscribes to the American Association of Public Opinion Research and is a resource for public and private organizations, academic research and media outlets. In addition, the initiative is designed to contribute to the educational mission of the University by providing students with valuable opportunities to enhance their educational experience by designing and carrying out public opinion research.

About Florida Atlantic University:

Florida Atlantic University, established in 1961, officially opened its doors in 1964 as the fifth public university in Florida. Today, the University, with an annual economic impact of \$6.3 billion, serves more than 30,000 undergraduate and graduate students at sites throughout its six-county service region in southeast Florida. FAU's world-class teaching and research faculty serves students through 10 colleges: the Dorothy F. Schmidt College of Arts and Letters, the College of Business, the College for Design and Social Inquiry, the College of Education, the College of Engineering and Computer Science, the Graduate College, the Harriet L. Wilkes Honors College, the Charles E. Schmidt College of Medicine, the Christine E. Lynn College of Nursing and the Charles E. Schmidt College of Science. FAU is ranked as a High Research Activity institution by the Carnegie Foundation for the Advancement of Teaching. The University is placing special focus on the rapid development of critical areas that form the basis of its strategic plan: Healthy aging, biotech, coastal and marine issues, neuroscience, regenerative medicine, informatics, lifespan and the environment. These areas provide opportunities for faculty and students to build upon FAU's existing strengths in research and scholarship. For more information, visit fau.edu.