

# Southwest Florida Economic Outlook

May 2023

In April 2023, **U.S. Consumer Sentiment** rebounded by 1.5 points from the previous month to 63.5. Meanwhile, **Florida consumer sentiment** increased for the third consecutive month in March 2023, rising by 2.0 points from the previous month to 69.7. These figures ran contrary to the nationwide consumer sentiment reported for March (which slipped by 5.0 points), suggesting that despite concerns about the banking sector and rising interest rates, Florida consumers remained optimistic.

The Tampa-St. Petersburg-Clearwater, FL **Consumer Price Index (CPI)** increased by 7.7 percent from March 2022 with housing leading at a 13.7 percent change from last year. The Wall Street Journal recently [published an article](#) stating that inflation was 3.8 percent when excluding the shelter component. The increase in migration to warmer climates, such as Southwest Florida, has placed upward pressure on housing prices, accelerating inflation at a faster rate compared to cooler climates. This week, all eyes are turned to the Federal Reserve as they meet to decide on interest rates. While the recent banking sector turbulence has added constraints to credit, their preferred inflation metric (Personal Consumption Expenditure) continues to cool down. The labor market continues to tighten but shows signs of tempering with increases to continued unemployment benefits claims.

Coastal county **existing single-family home sales** were up 42 percent from February to March 2023, but remained 17 percent below March 2022. **Median home prices** for the coastal counties have been cooling down over the 12-month period, with variation ranging from 0.3 to 4 percent. Meanwhile **residential active listings** were 10,137 for March 2023, up 186 percent over March 2022. Coastal county residential properties for sale are spending more days on the market compared to a year ago, so the increase in listings can be attributed to both new listings and existing listings.

Other observations from the latest data include:

- **Seasonally-adjusted real tourist tax revenues** in the coastal counties declined to \$7.4 million in February 2023, down 1 percent from January 2023 and 29 percent below February 2022. The region has been on a negative year-to-year trend, with the last positive trend reported in April 2022.
- **Seasonally-adjusted airport activity** for RSW, PGD, and SRQ was down 13 percent in March 2023 from March 2022. RSW saw the largest change, with a 23 percent decline from the same month in 2022. In total, the three airports saw 956,465 enplanements and 957,078 deplanements in March 2023. RSW was the only airport that saw more enplanements than deplanements in March 2023.
- **Seasonally-adjusted unemployment rate** for the region was 3.0 percent in March 2023, unchanged from the prior month. The region's unemployment rate has been on a downward trend since Hurricane Ian hit in October 2022, when the unemployment rate peaked at 3.6 percent.

*More information for Southwest Florida, including interactive charts showing the latest regional economic indicators can be found on the RERI website at <https://www.fgcu.edu/cob/reri/>.*