

Hispanics' Consumer Confidence Plummets as Coronavirus Paralyzes the Country

Consumer confidence among Hispanics in the United States fell sharply in the first quarter of 2020 as the coronavirus pandemic spread across the country and disrupted nearly every aspect of American life.

The Hispanic Consumer Sentiment Index, measured from January through March, stands at 81.3, down from 100.9 in the fourth quarter of 2019, according to the [Florida Atlantic University Business and Economics Polling Initiative](#) (FAU BEPI) in FAU's [College of Business](#).

The index is even lower than the March score of 89.1 for the overall U.S. population, as published by the [University of Michigan](#).

Hispanics' consumer confidence weakened at the end of 2019 as concerns grew that the longest economic expansion in history was due to end. But the first cases of COVID-19 in the U.S. led to massive quarantines, millions of job losses and fears that the sweeping economic fallout may not be short-lived, said [Monica Escaleras](#), Ph.D, director of FAU BEPI.

"It's the uncertainty of what's going to happen," she said. "Nobody knows if the effects of the virus will last weeks or months. So people are very concerned about the future."

Overall, 58 percent of those surveyed indicated during the first three months of 2020 that they will be better off over the next year, down from 73 percent in the last quarter of 2019.

Hispanics are concerned about the short-term economic outlook, with 34 percent saying they expect the country to experience good business conditions in the upcoming year, compared with 65 percent in the fourth quarter of 2019.

The long-term economic outlook also is a concern, with 57 percent of Hispanics optimistic in the first three months of the year, down from 65 percent in the fourth quarter.

Another indication that optimism is waning: A smaller percentage of Hispanics – 53 percent – believes it's a good time to buy big-ticket items, compared with 65 percent in the prior quarter.

Despite the coronavirus' devastating effect on the nation's economy, more Hispanics support U.S. President Donald Trump, whose approval rating increased from 42 percent in the fourth quarter to 44 percent in the first quarter. Of those surveyed, 40 percent identified themselves as Republicans, 39.6 percent as Democrats, 14.1 percent as independents and 6.3 percent as non-registered voters.

For more information, polling results and full cross-tabulations, visit business.fau.edu/bepi or contact Monica Escaleras, Ph.D., at mescaler@fau.edu.