AMELIA ISLAND 2026

The Ritz-Carlton Amelia Island, FL

August 18-20, 2026

Economic Reality Check

Leading Through Uncertainty

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What are we talking about today?

01 **The Paradox**
Record demand met record-low confidence. Why?

02 **The Price Question**
How much pricing runway is actually left?

03 **Which Signals Matter**
The short list worth your attention.

04 **The Cost Side**
Tariffs moved twice. And again tomorrow.

05 **What Good Operators Are Doing**
What high performers in the industry are doing right now.

Let's start with how you are feeling coming into convention.

With the five things that wake you up at 3 a.m.

What is keeping you up at night?

Margin compression

Costs are rising faster than you want to reprice.

Tariff whiplash

Your biggest sources of inputs changed twice in four months.

Units versus dollars

Sales are up. Unit counts are not.

Labor cost and availability

Designers are scarce and wages keep climbing.

Deciding anything at all

Every forecast has an asterisk, but you still have to commit.

SECTION 01

The Paradox

Consumer confidence hit the lowest level ever recorded.
The economy is mixed.
Floral demand hit a fourteen-year high.
All are true – at the same time.

Status Snapshot:

Macroeconomic Pulse

Consumer Demand

Housing Market

Input Costs & Supply Chain

Labor Market

Green Industry Specific

Macroeconomic Pulse

Charlie's Gut Check
(click here)

Real GDP Growth

1.5% CURRENT

PRIOR **2.1%** ▼

Annualized QoQ % change (BEA)

BEA · Quarterly · Annualized QoQ % · ~9 yr

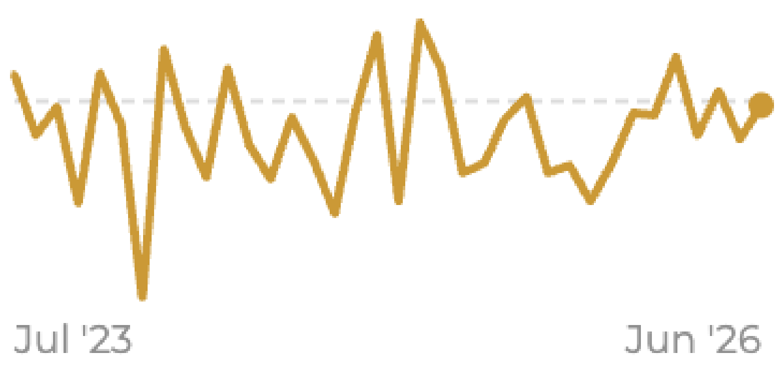
Updated 2026-04-01

Chicago Fed Activity (CFNAI)

-0.02 CURRENT

PRIOR **-0.19** ▲

>0 = above-trend growth



Chicago Fed · Monthly · Index (0=trend) · ~3 yr

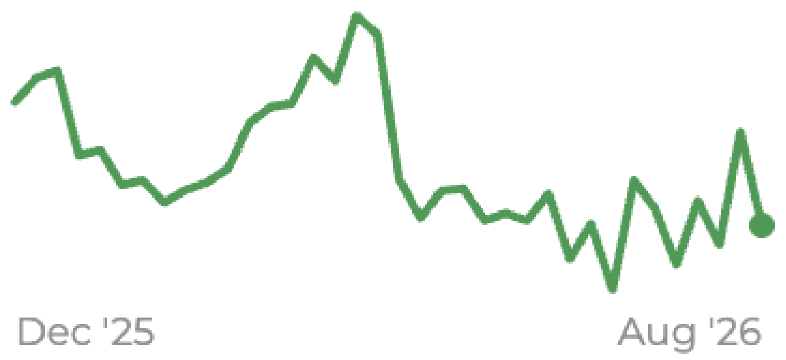
Updated 2026-06-01

Financial Stress Index

-0.77 CURRENT

PRIOR **-0.51** ▼

0=normal; >0=above-average stress (St. Louis Fed)



St. Louis Fed · Weekly · Index (0=normal) · ~8 mo

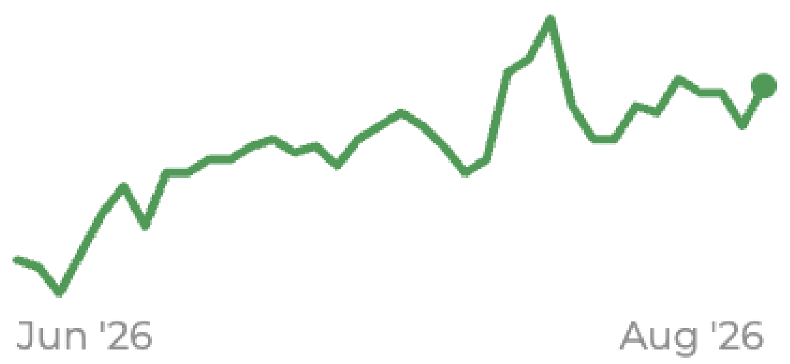
Updated 2026-08-07

Yield Curve (10Y–3M)

0.82% CURRENT

PRIOR **0.76%** ▲

<0 = inverted — recession signal



FRED · Daily · Spread, ppts · ~7 wk

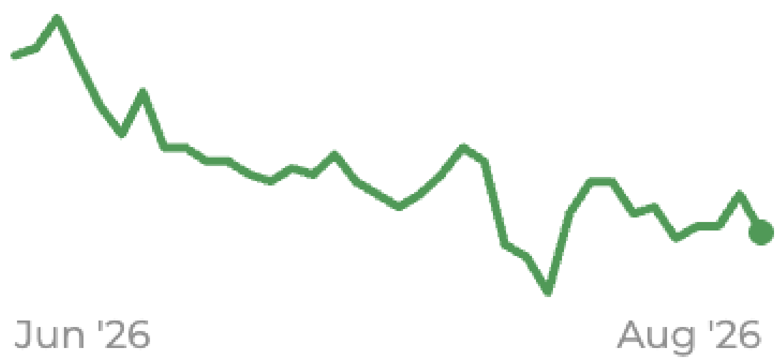
Updated 2026-08-14

Recession Probability

14.1% CURRENT

PRIOR **15.0%** ▼

NY Fed 12-mo forward prob., from 10Y–3M spread (Estrella-Mishkin)



Derived · Daily · Probit prob. % · ~7 wk

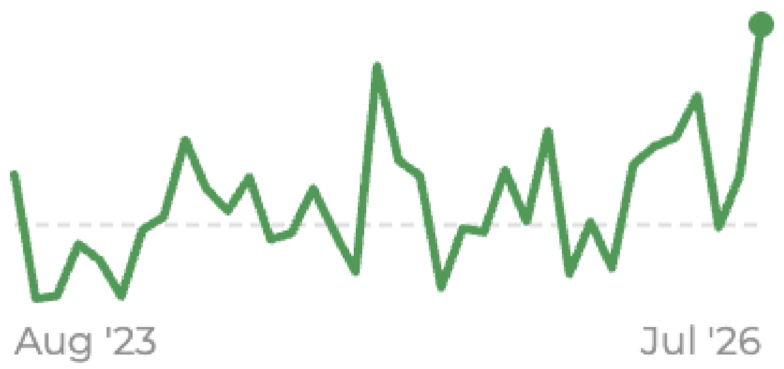
Updated 2026-08-14

Philly Fed Mfg Index

41.4 CURRENT

PRIOR **10.3** ▲

>0 = expanding manufacturing activity (Philadelphia Fed)



Philly Fed · Monthly · Diffusion index · ~3 yr

Updated 2026-07-01

Cass Freight Index: Shipments

-4.8% CURRENT

PRIOR **-4.1%** ▼

Freight shipment volumes, YoY % — economy barometer (Cass)

Cass · Monthly · YoY % · ~3 yr

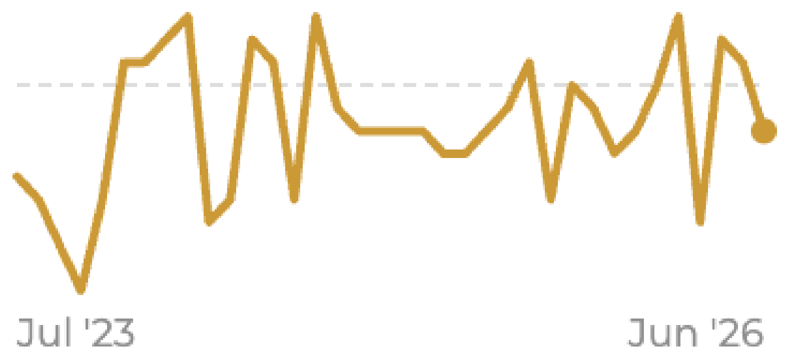
Updated 2026-07-01

Leading Economic Index (LEI)

-0.2% CURRENT

PRIOR **0.1%** ▼

MoM % change — sustained decline signals recession



Conference Board · Monthly · MoM % · ~3 yr

✎ *Conference Board*

Updated 2026-06-01

Consumer Demand

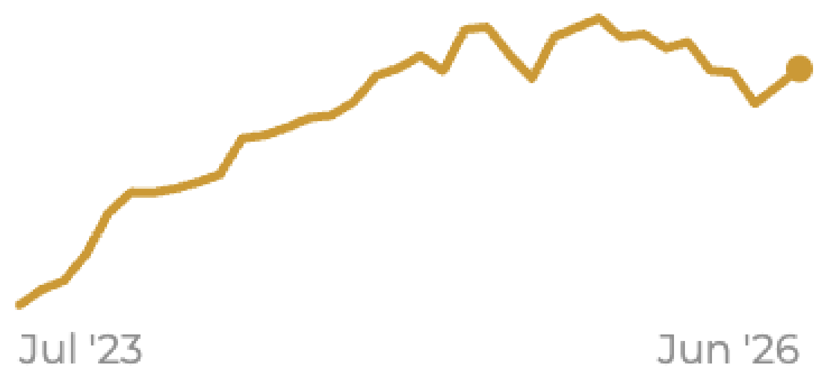
Charlie's Gut Check
(click here)

Real Income (ex-Transfers)

0.1% CURRENT

PRIOR -0.4% ▲

Real, pre-tax, excl. transfers, YoY % — earned-income cycle gauge (BEA)



BEA · Monthly · YoY % · ~3 yr

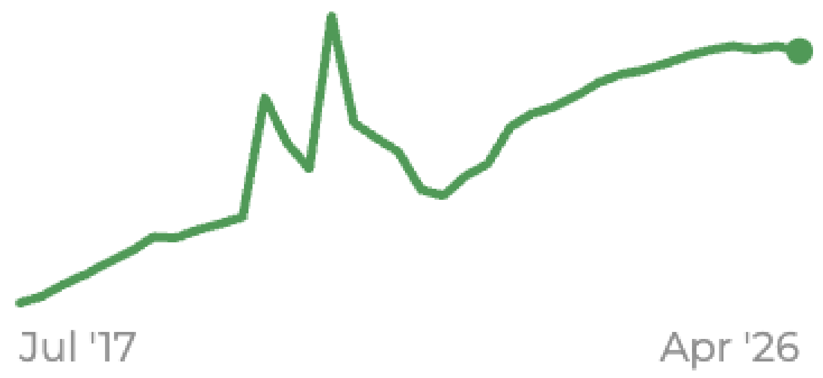
Updated 2026-06-01

Real Disposable Income

4.8% CURRENT

PRIOR 6.3% ▼

Real, after-tax, incl. transfers, YoY % — household spending power (BEA)



BEA · Quarterly · YoY % · ~9 yr

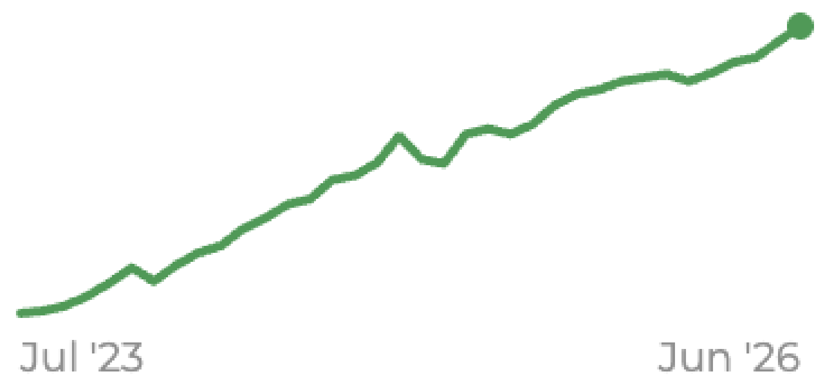
Updated 2026-04-01

Real Consumption (PCE)

2.5% CURRENT

PRIOR 2.4% ▲

Real PCE, chained 2017$, YoY % — demand volume (BEA)



BEA · Monthly · YoY % · ~3 yr

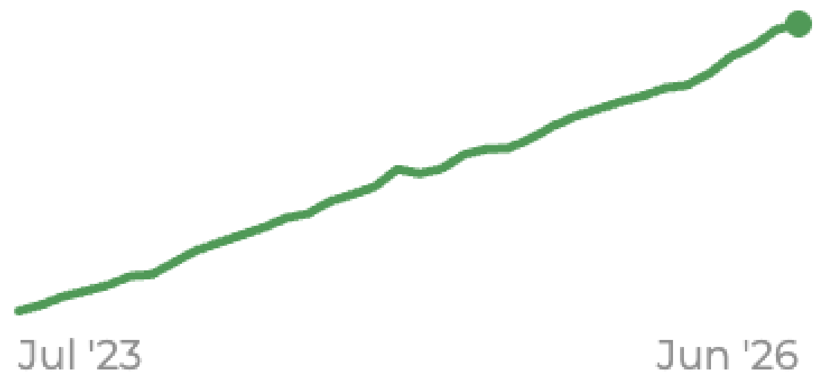
Updated 2026-06-01

Nominal Consumption (PCE)

6.3% CURRENT

PRIOR 6.6% ▼

Nominal PCE, current dollars, YoY % — spending value (BEA)



BEA · Monthly · YoY % · ~3 yr

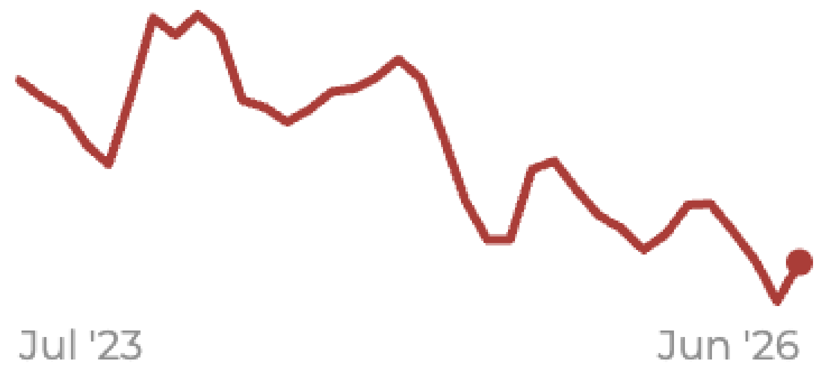
Updated 2026-06-01

U of M Consumer Sentiment

49.5 CURRENT

PRIOR 44.8 ▲

1966Q1=100 baseline



U. Michigan · Monthly · Index (1966=100) · ~3 yr

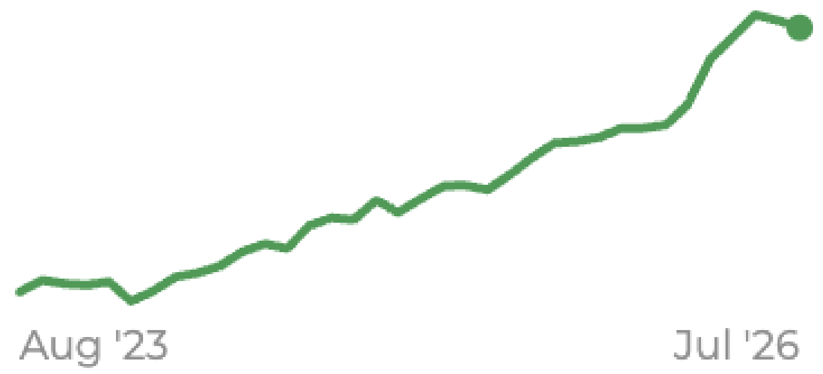
Updated 2026-06-01

Bldg Material & Garden Sales

5.8% CURRENT

PRIOR 6.9% ▼

NAICS 444 retail sales, YoY % (Census)



Census · Monthly · YoY % · ~3 yr

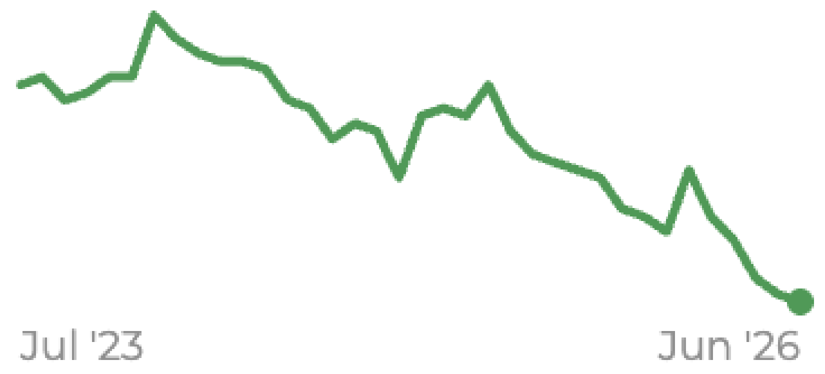
Updated 2026-07-01

Personal Saving Rate

2.7% CURRENT

PRIOR 2.8% ▼

% of disposable income saved — high = consumer caution (BEA)



BEA · Monthly · % of DPI · ~3 yr

Updated 2026-06-01

Input Costs & Supply Chain

Charlie's Gut Check
(click here)

Diesel Price (On-Highway)

$5.26 CURRENT

PRIOR $5.35 ▼

U.S. weekly average, $/gallon (EIA)

EIA · Weekly · $ / gal · ~8 mo

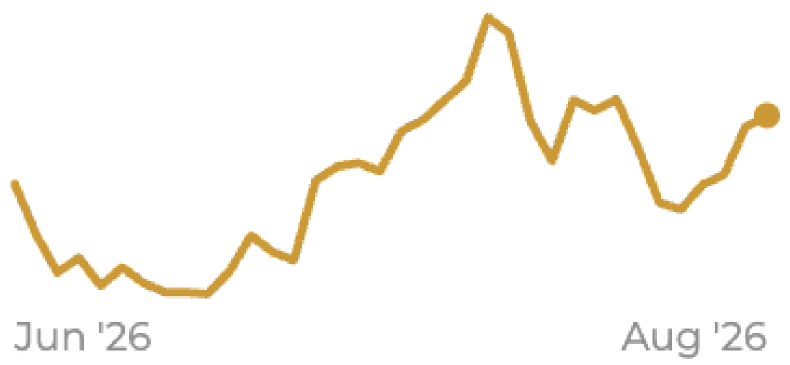
Updated 2026-08-10

WTI Crude Oil Price

$84.77 CURRENT

PRIOR $83.76 ▲

West Texas Intermediate, $/barrel (EIA)



EIA · Daily · $ / bbl · ~7 wk

Updated 2026-08-11

Natural Gas (Henry Hub)

$2.79 CURRENT

PRIOR $2.72 ▲

Spot price, $/MMBtu (EIA)

EIA · Daily · $ / MMBtu · ~7 wk

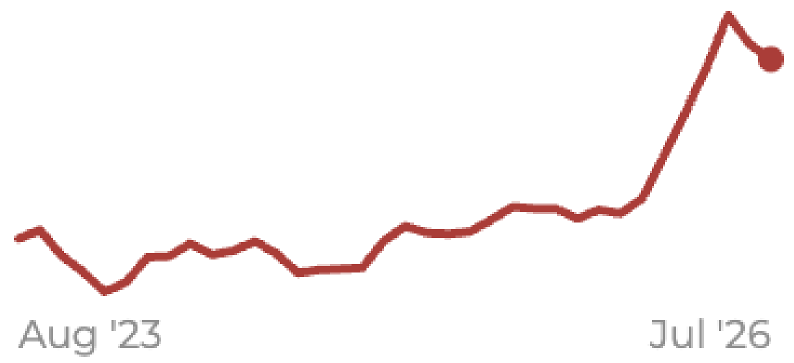
Updated 2026-08-11

PPI: All Commodities

8.3% CURRENT

PRIOR 9.9% ▼

Broad producer price / input cost pressure, YoY % (BLS)



BLS · Monthly · YoY % · ~3 yr

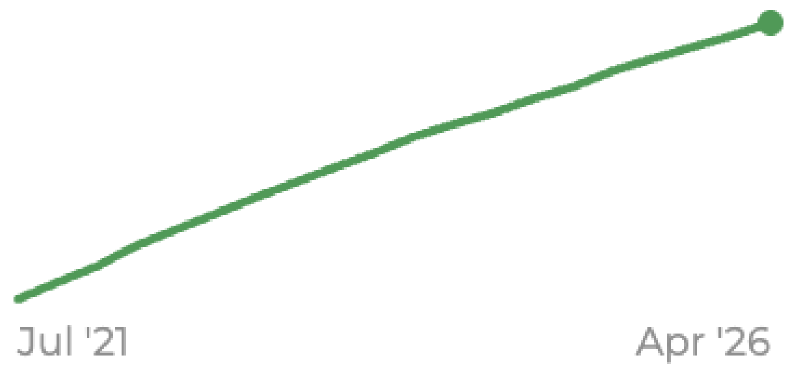
Updated 2026-07-01

Employment Cost Index

3.1% CURRENT

PRIOR 3.3% ▼

Wages & salaries, private industry, YoY % (BLS)



BLS · Quarterly · YoY % · ~5 yr

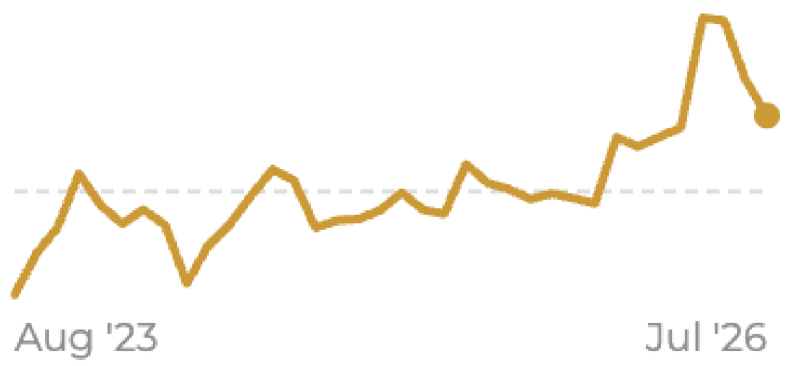
Updated 2026-04-01

Global Supply Chain Pressure Index

0.80 CURRENT

PRIOR 1.19 ▼

0=normal; >1 = elevated supply chain pressure



NY Fed · Monthly · Std. index (z) · ~3 yr

✎ *NY Fed*

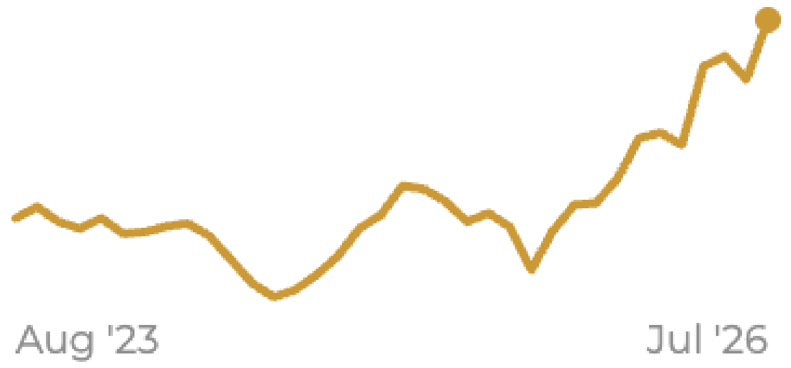
Updated 2026-07-31

Cass Truckload Linehaul Index

152.9 CURRENT

PRIOR 149.4 ▲

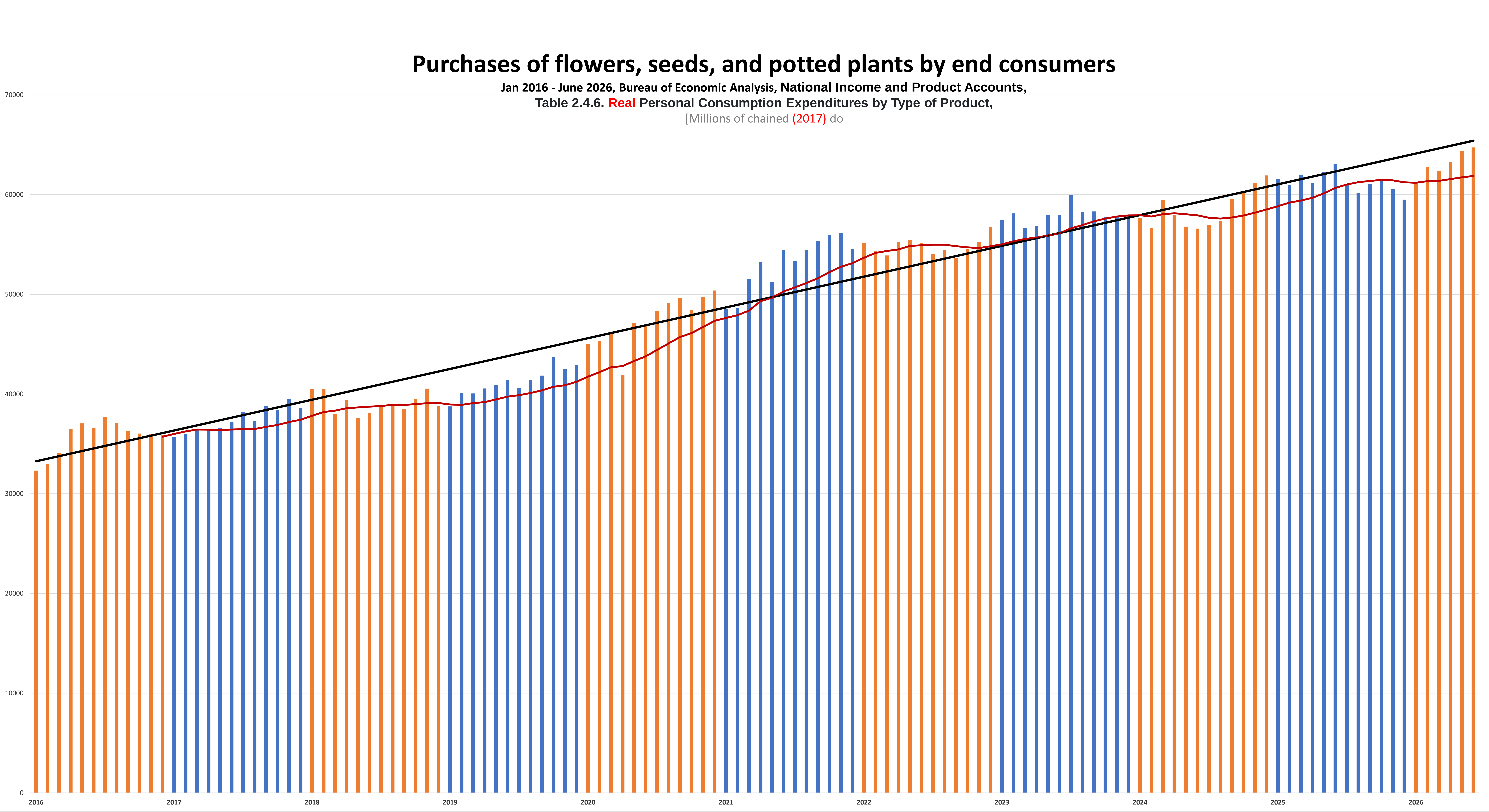
Per-mile truckload rates, excl. fuel — Jan 2005=100



Cass · Monthly · Index (2005=100) · ~3 yr

✎ *Cass Information Systems*

Updated 2026-07-01


Purchases of flowers, seeds, and potted plants by end consumers
Jan 2016 - June 2026, Bureau of Economic Analysis, National Income and Product Accounts,
Table 2.4.6. Real Personal Consumption Expenditures by Type of Product,
[Millions of chained (2017) do
70000
60000
50000
40000
30000
20000
10000
0
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026

The four numbers that frame 2026

40%

of adults bought for Mother's Day — **the highest in the trend**

35%

bought for Valentine's Day — **matching its trend high**

48.2

consumer sentiment in May — **the lowest ever recorded**

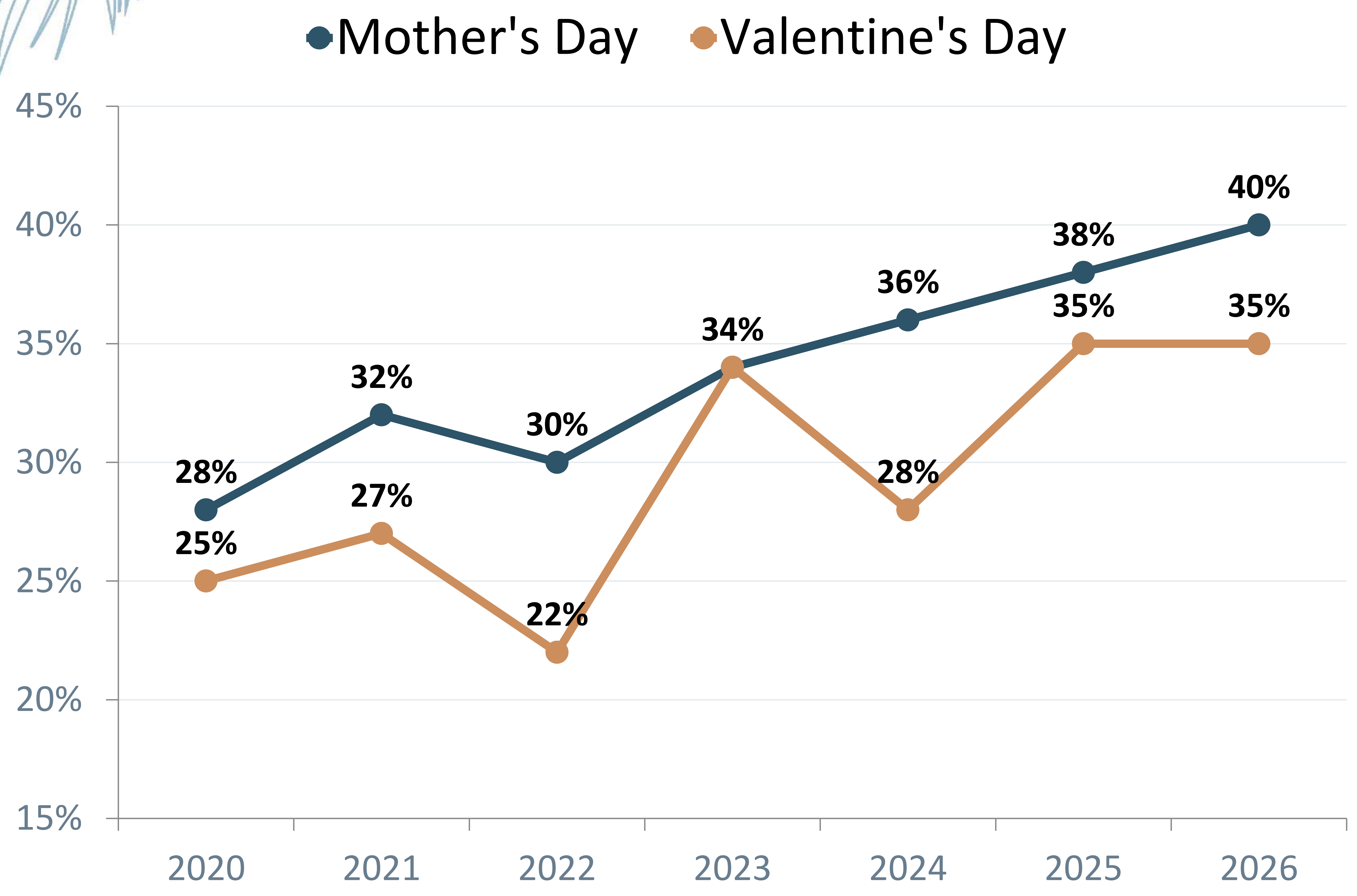
45%

name “**budget**” as a top-three purchase factor

The paradox in one line: Buyership hit record levels in the same season households reported the worst financial mood on record.

Sources: Ipsos eNation US, May 2026 (n=1,005 adults 18+); University of Michigan Surveys of Consumers.

Buyership: both holidays at trend highs



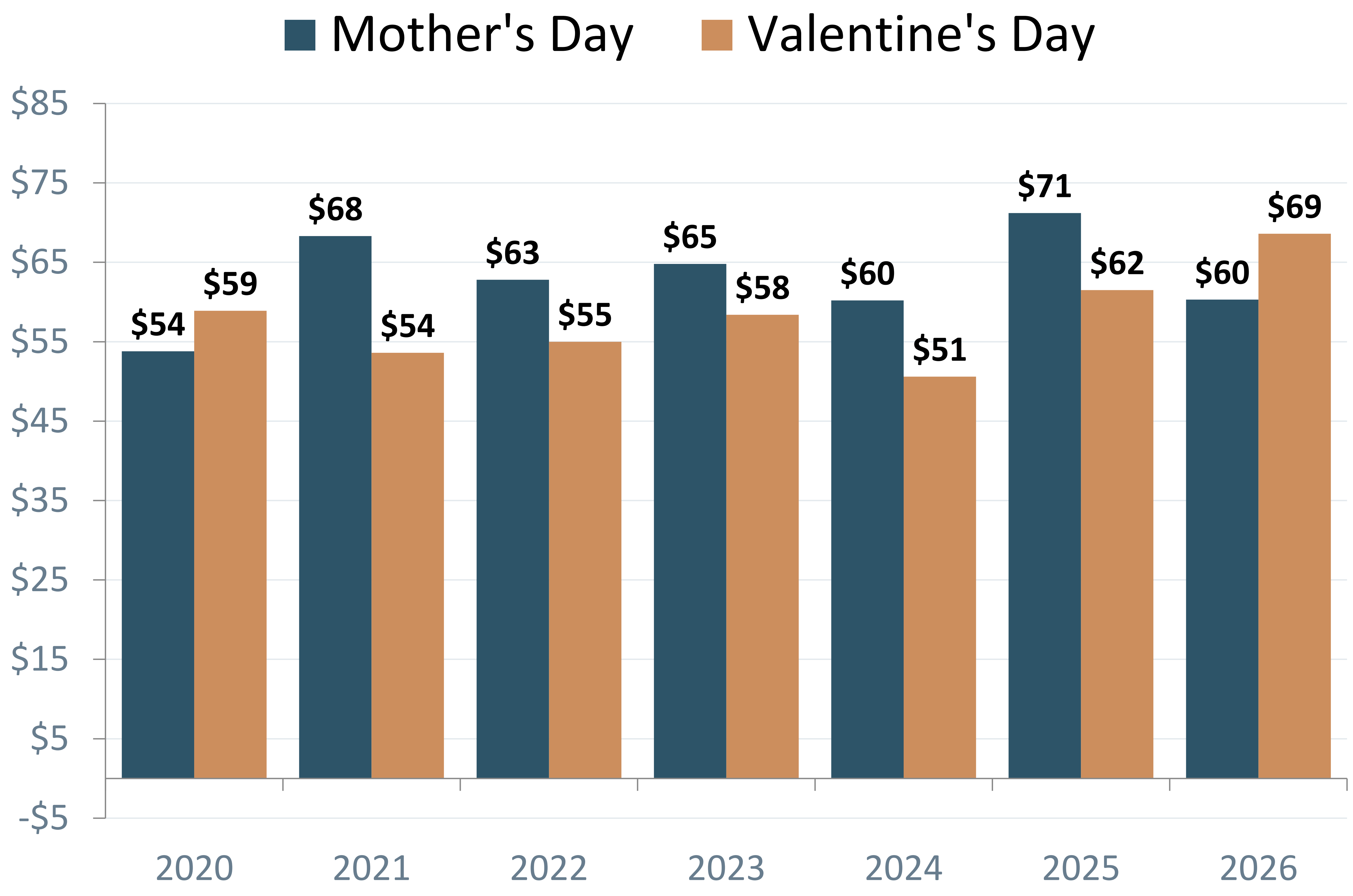
Source: Ipsos eNation US. Buyership computed as weighted buyers ÷ weighted respondents.

Key Takeaways

- ◆Mother's Day: 30% in 2022 to 40% in 2026.
- ◆Valentine's bottomed at 22%, rebounded to 35%.
- ◆Mother's Day now leads by five points.

Bottom line: ***Mother's Day is the growth story. Valentine's is the recovery.***

Average spend: the two traded places



Source: Ipsos eNation US, mean total spend per buyer including zero responses.

Key Takeaways

- ◆Valentine's buyers spent $68.60 — the most since 2019.
- ◆Mother's Day eased to $60.30 from an outlier $71.20.
- ◆Fewer buyers in February, bigger spend.

Bottom line: ***Mother's Day wins on reach. Valentine's wins on basket.***

2026 head to head: reach versus value

MOTHER'S DAY

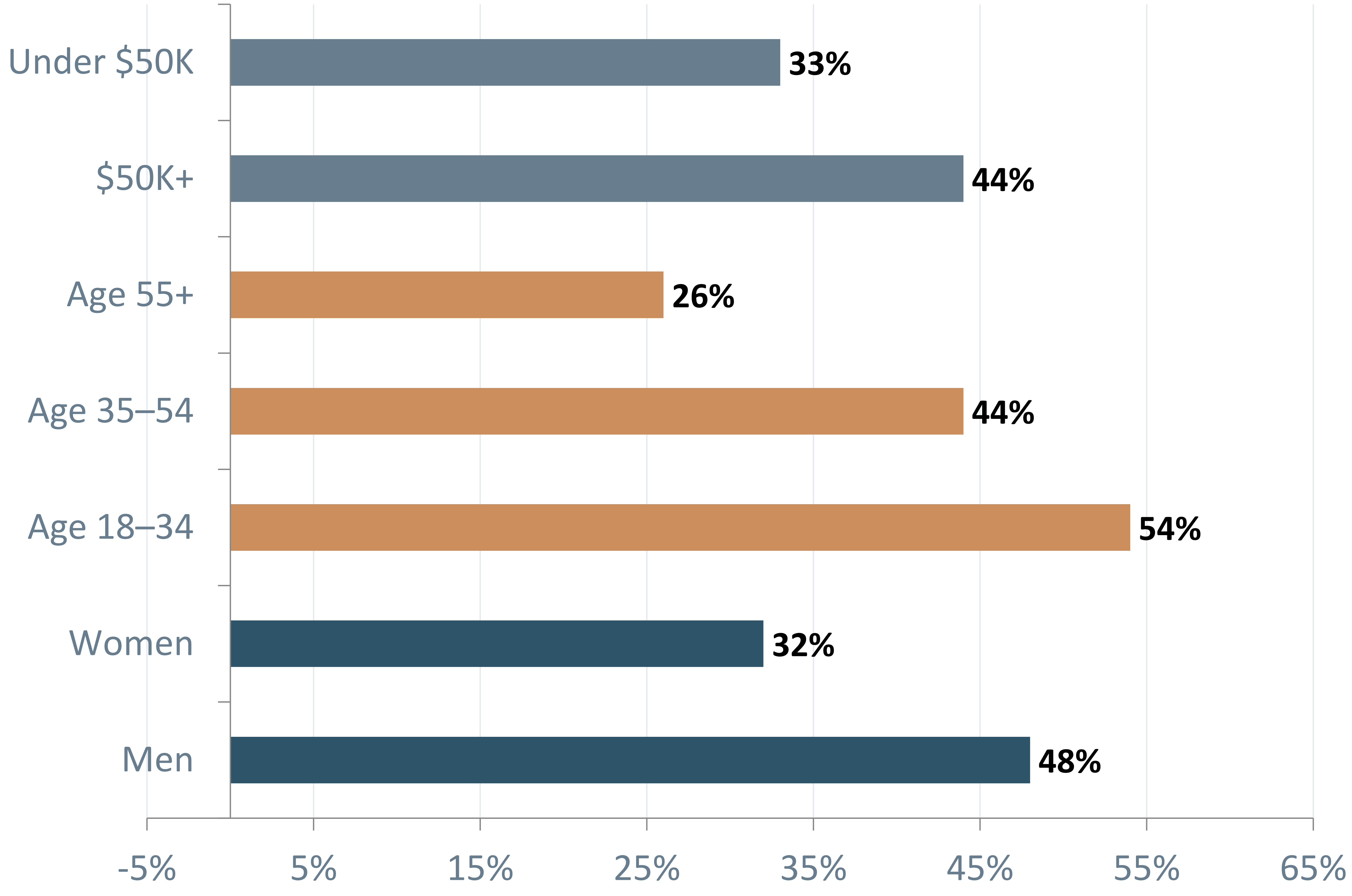
- 40% of adults bought
- $60.30 average spend
- 22% bought from a florist
- 58% of HH w/kids bought

VALENTINE'S DAY

- 35% of adults bought
- $68.60 average spend
- 28% bought from a florist
- 87% bought roses; 75% red

Circle this: You punch above your weight in February. That is the specification advantage.

Who is actually buying?



Source: Ipsos eNation US, May 2026. Base: all adults 18+ (n=1,005); composition from buyers (n=400).

Key Takeaways

- Buyers skew younger and male: 54% of 18–34, 48% of men.
- Kids-at-home HH buy at a higher rate — but 59% of buyers have no kids at home.
- Income gap is modest by **rate**.

Bottom line: ***Rates are broad. Dollars are concentrated.***

Who is holding the category up?

Buyership rates are closer. Dollars are not.

Household income	Share of households	Share of buyers	Share of top spenders	Share of dollars
Under $50K	41%	34%	19%	29%
$50K – $100K	32%	33%	33%	33%
$100K and up	**27%**	**33%**	**48%**	**38%**

$100K+ households: 27% of the population, 38% of the dollars — and nearly half of every buyer who spent $70 or more.

Source: Ipsos eNation US, May 2026, household income banner (weighted). Top spenders = buyers spending $70+ (n=99 unweighted; directional only). Dollar shares estimated from the $70 bracket split with bracket means fitted to the published $60.30 mean spend.

Why does demand hold up when everything feels bad?

Small absolute ticket

A $60 decision clears the household bar that a $600 decision does not.

Emotionally load-bearing

The purchase is doing a job — apology, gratitude, love, grief.

Occasion-anchored

Mother's Day arrives whether or not sentiment is at 48.2.

A trade-down destination

When the trip and the steak dinner get cut, we pick up share.

SECTION 02

The Price Question

You raised prices again in 2026 and the market took it.
Dollars up. Units flat. Now what?
The question is how much runway is left.

Elasticity in ninety seconds

Elasticity = **% change in units ÷ % change in price**

INELASTIC |E| < 1

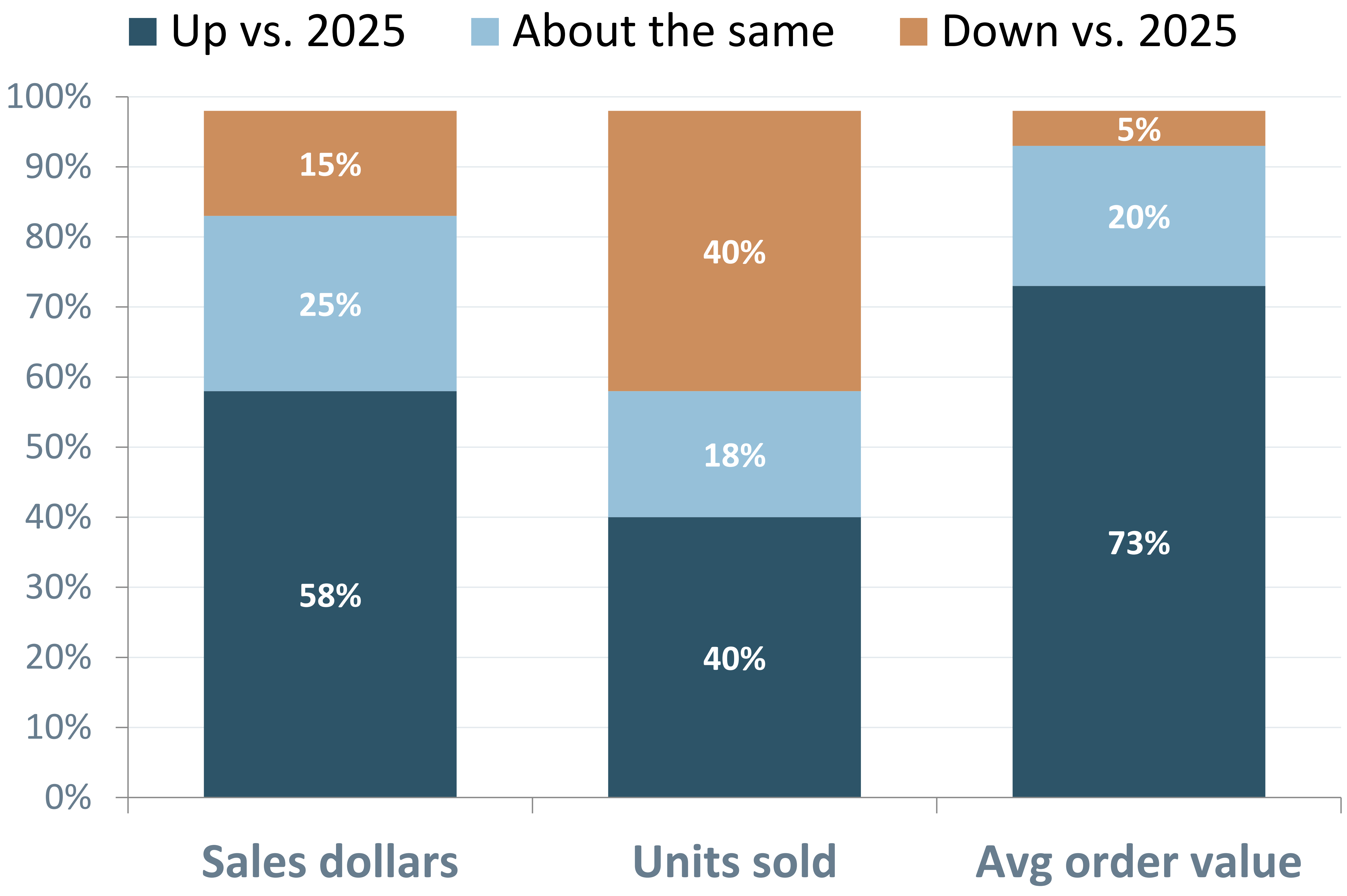
- ◆Units move less than price.
- ◆Raise price → revenue UP.
- ◆You have room.

ELASTIC |E| > 1

- ◆Units move more than price.
- ◆Raise price → revenue DOWN.
- ◆You are past the line.

The test you can run yourself: pull data for prices, dollars and units for the same period. Which way did each move?

Mother's Day 2026: what retailers reported



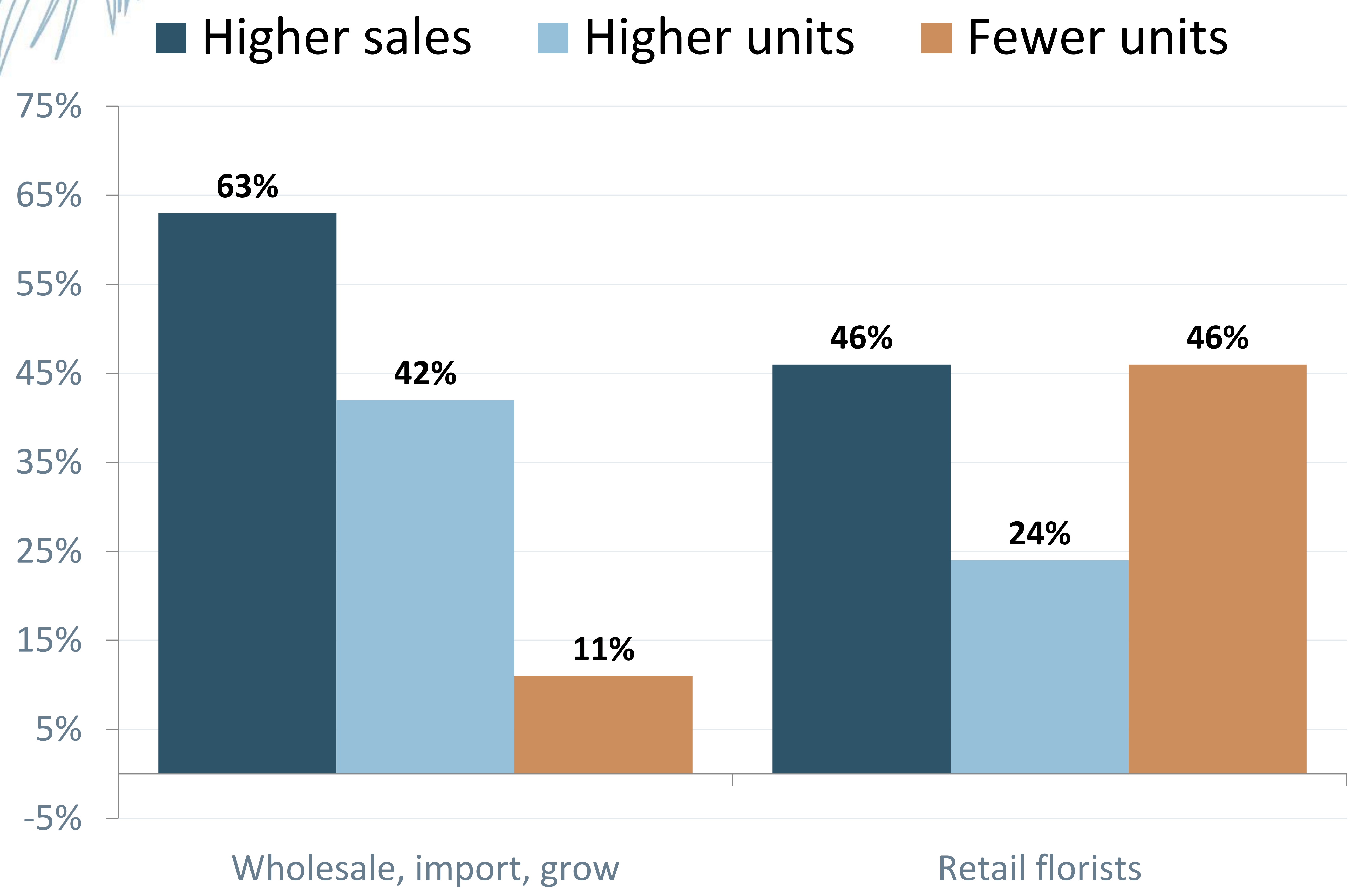
Source: SAF Spring Holidays Recap Survey, 2026 .

Key Takeaways

- ◆58% grew sales dollars. Only 15% declined.
- ◆73% raised average order value.
- ◆Units split down the middle: 40% up, 40% down.

Bottom line: ***Dollar growth ran well ahead of unit growth.***

Now look at YTD by sector



Source: SAF Economic Outlook Survey, mid-year 2026, versus the same period in 2025.

Key Takeaways

- ◆Upstream: 63% higher sales AND 42% higher units.
- ◆At retail: 46% higher sales — and 46% fewer units.

Bottom line: ***Upstream growth is demand-driven. Retail growth is price-driven.***

So what is the verdict?

Valentine's Day 2026	Spend up 11.5%. Buyership did not move.	**|E| ≈ 0**
Mother's Day retailers	73% raised order value. Units split 40/40.	**|E| well under 1**
Mid-year retail florists	46% higher dollars. 46% fewer units.	**Inelastic, but eroding**

Direction, not precision: *these are diffusion indices, not a fitted demand curve.*

Where elasticity is low — and where it isn't

LOW (room to price)

- Calendar occasions
- Sympathy and life-event work
- Specification purchases
- Real design and service content

HIGH (price carefully)

- Everyday and self-purchase
- Entry-price product
- Ancillary occasions
- Anything bought weekly

The warning light: 45% now name budget as a top-three factor — up from 38% in 2022.

Four pricing rules from the data

1

Price the occasion, not the stem

Your defensible margin lives in why the customer is buying.

2

Smaller steps, more often

Three percent twice a year beats one twelve percent jump.

3

Protect the entry price point

Elasticity is highest there. Take margin higher up the ladder.

4

Track units monthly

Dollars lag a pricing mistake. Units lead it.

SECTION 03

Which Signals Matter

Never more economic data, never less economic clarity.
Here is the short list worth your attention.

Headline inflation versus core

2.2%

average headline PCE inflation, 2001–2026

2.1%

average core PCE over the same period

½

core's variance relative to headline

12.4%

of spending core throws away to get it

The trade-off: Core is not a different answer about inflation. It is the same answer with less wobble.

Source: Federal Reserve Bank of St. Louis, On the Economy, July 2026; Bureau of Economic Analysis.

Soft data: feels terrible. Hard data: okay, for now.

WHAT PEOPLE SAY

- Sentiment at 48.2 — a record low
- 45% cite budget as a constraint
- Recession fears building
- Policy uncertainty everywhere

WHAT PEOPLE DO

- Record 40% Mother's Day buyership
- Valentine's spend up 11.5%
- 58% of florists grew dollars
- 63% upstream grew sales and units

The rule: When survey data and transaction data disagree, believe the transactions. Do not let “feelings” rule.

A minimalist economic dashboard I'd recommend

WEEKLY

- ◆Jobless claims, 4-week
- ◆Diesel and jet fuel

MONTHLY

- ◆LEI
- ◆Core PCE
- ◆Retail sales control group
- ◆Your own unit counts

QUARTERLY

- ◆Final sales to private domestic purchasers
- ◆Your average order value
- ◆Roundtable meetings

IGNORE

- ◆Single sentiment prints
- ◆Single months of anything

SECTION 04

The Cost Side

Your largest sources had their tariff rates rewritten on July 24.
And there is another decision landing tomorrow.

Where floral tariffs actually stand as of today

Origin	Before 2025	Spring 2026	Now	Direction
Colombia — cut flowers	Duty-free	10%	12.5%	▲ Worse
Ecuador — roses	6.8%	~16.8%	6.8%	▼ Exempted
Netherlands	~6.8%	~16.8%	10%	▼ Better
Canada — USMCA	Duty-free	Duty-free	Duty-free	⚠ 50% Aug. 19

$210 million in annual Canadian floriculture exports are affected, hitting exporters of cut flowers, potted orchids, bulbs and other propagative material.

Source: safnow.org, August 5, 2026. Current as of August 2026; three of the four moved on July 24.

The Canada threat, and why it is different

What it covers	Fresh flowers, unrooted cuttings, orchids, foliage and flower seeds.
Why it is unusual	It would apply even to USMCA-qualifying product.
What it is about	USMCA renegotiation. Most trade watchers read it as leverage.
What to do	Evaluate your exposure.

Source: safnow.org, August 5, 2026. Proposed under Section 338 of the Tariff Act of 1930.

The exposure nobody is talking about

UNDER 301 INVESTIGATION

16 economies

including China, South Korea, Vietnam,
Taiwan, Mexico and India

Findings expected within weeks.

WHAT YOU IMPORT

- ◆Plastic sleeves
- ◆Ceramic and glass vases
- ◆Ribbon and packaging
- ◆Shop consumables

Why it matters: It's a small share of your cost of goods — but in every single order you build.

The cost side in four sentences

Prices are sticky upward.
Even when a tariff falls, landed cost rarely walks all the way back down.

The inventory cushion is gone.
Pre-tariff stock is sold. More cost passes through from here.

Litigation will not rescue you.
The July 24 suit has no court date. Duties keep being collected.

A margin problem, not a demand problem.
The customer is still there. The work is on cost and price.

SECTION 05

What Good Operators Are Doing

The mid-year survey indicates the industry has gotten better at managing the things it can actually control.

The mid-year read: cautiously optimistic

54%

say business is doing well this year

53%

are optimistic about the rest of the year

42%

expect year-end sales above 2025 — up from 35%

77%

of profit gains were in the 1–10% range

Source: SAF Economic Outlook Survey, mid-year 2026. Prior year: 35% expected higher sales, 30% lower.

What changes have you implemented?

1 Rebuilt the recipes

Reworking designs for margin and cutting SKUs that were not earning their keep.

2 Went deeper in gifts

Anything floral-adjacent. One shop added $5,000–$10,000 a month.

3 Data behind merchandising

Dashboards pairing web analytics with sales reports — several built with AI.

4 Broadened the outreach

More social and email, in-store events, and calls to past customers.

So what do you do Monday morning?

Several decisions on your desk.

Seven things to do before Thanksgiving

1. Recalculate landed cost by origin.
2. Put units and dollars and avg order value on one monthly report.
3. Model your Canada and hard-goods exposure. Buy ahead.
4. Move to smaller, more frequent value-based price changes.
5. Audit recipes; cut the SKUs that aren't earning.
6. Rebuild holiday staffing for a weekend surge.
7. Invest in the website — your largest channel.

If you remember three things

- **Price on value, with confidence.**
- **Watch units, not just dollars.**
- **Control what you can control.**

Demand is on your side. Your focus should be on managing costs and pricing.

SAF

AMELIA ISLAND 2026

The Ritz-Carlton Amelia Island, FL

August 18-20, 2026

Thank you

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