

South Florida Business Journal

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How Brexit will impact one of Florida's biggest industries

Jun 24, 2016, 12:22pm EDT Updated Jun 24, 2016, 5:06pm EDT

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The United Kingdom's vote to leave the European Union will likely deal a blow to Florida's tourism industry, according to Chief Economist for the Florida Chamber Foundation Jerry Parrish.

The British exit, or "Brexit," is already pulling down financial markets worldwide, spewing toxic economic uncertainty across the globe. Parrish predicts that Florida will feel negative effects in its tourism sector — one of its most lucrative industries — and in foreign investment.

"Florida's tourism from the U.K. will likely be affected because the expected decrease in the value of the British Pound will make travel to Florida more expensive for U.K. residents," Parrish said in a statement. "We know from history that increases in uncertainty and volatility typically have negative effects on investment and trade."

In 2015, more than 1.7 million U.K. visitors came to Florida, which amounts to about 40 percent of Florida's European visitors. In total, Florida recorded more than 105 million visitors in 2015.

"With more than \$89 billion spent by visitors in 2015 in taxable sales, this is a substantial contributor to Florida's general revenue," Parrish said.

A strong dollar has already impacted tourism across South Florida in particular, and the trend has contributed to [the region's falling hotel occupancy in 2016](#).

Brexit also is likely to blame for falling stocks among local travel companies. Miami's major cruise lines recorded major hits Friday afternoon, with Royal Caribbean Cruises Ltd. (NYSE: RCL) dropping nearly 8 percent, or \$6.10, to 71.05 a share. Carnival Corp. & plc (NYSE: CCL) shares fall more than 6 percent, or \$3.06, to \$46.30 a share. The same selloff could be seen at Norwegian Cruise Line Holdings Ltd. (Nasdaq: NCLH), which saw its shares dip more than 7 percent, or \$3.14, to \$41.09 a share.

Miramar-based Spirit Airlines Inc. (Nasdaq: SAVE) shares fell 3.44 percent, or \$1.62, to \$42.27 a share. However, most of the discount carrier's flights are domestic.

Tourism isn't the only industry to take a hit in the day following the Brexit vote. Stock prices of Florida-based banks dove into the red, with banks such as Miami Lakes-based BankUnited (NYSE: BKU) dropping 8.16 percent, St. Petersburg-based Raymond James Bank (NYSE: RJF) dropping 9.43 percent, Pompano Beach-based Stonegate Bank (NASDAQ: SGBK) dropping 2.17 percent and Weston-based Florida Community Bank (NYSE: FCB) dropping 5.82 percent.

The long-term ramifications of the Brexit vote are still unknown.

“My clients with U.K. operations are very much taking a wait-and-see attitude to see what the economy is going to do,” said [Mark Chaves](#), an international tax partner at Marcum LLP in South Florida.

“It’s hard to predict what is going to happen,” Chaves added. “There is so much U.S. investment in the U.K. and vice versa, obviously if the pound goes up or down, it effects U.S. imports and exports. But it’s too early to tell.”

Nina Lincoff contributed to this story.