

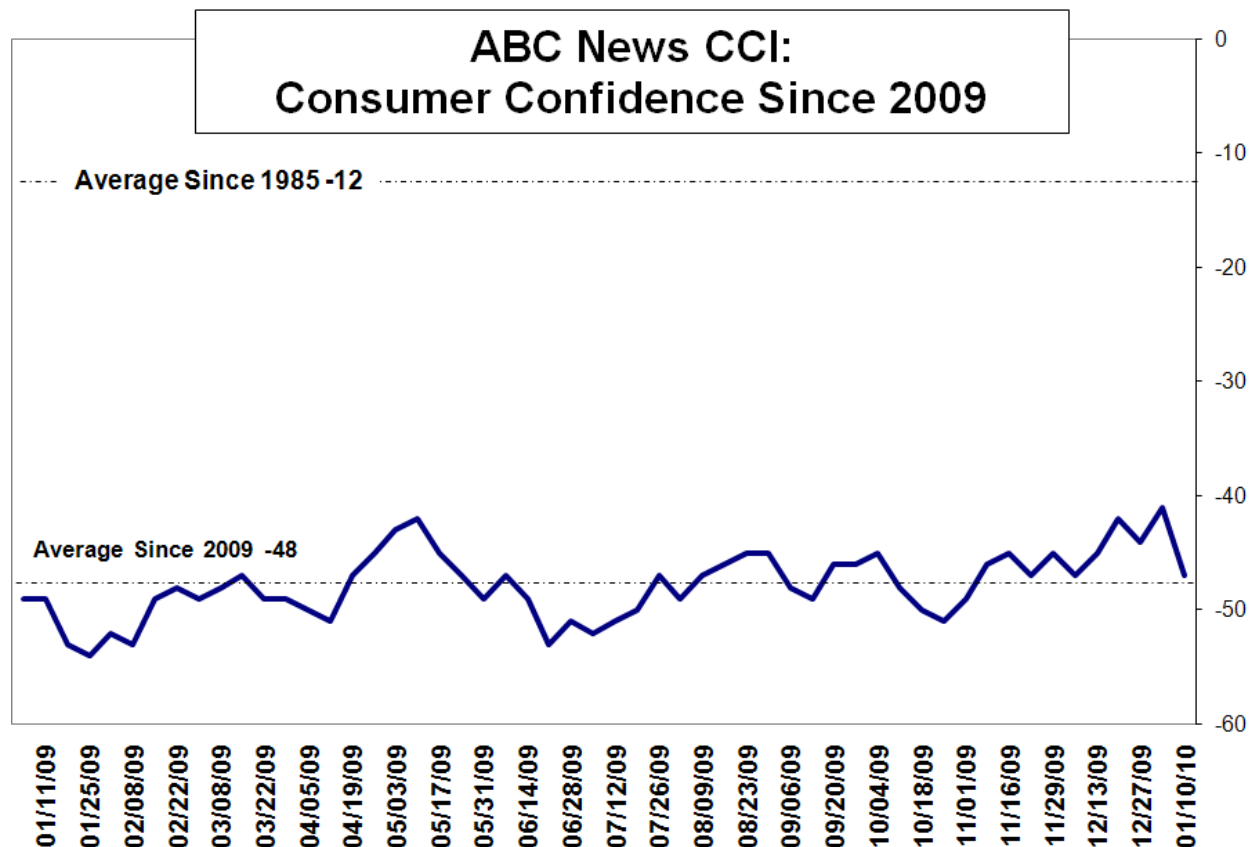
Confidence Drops Sharply, Erasing a Positive Trend

Consumer confidence this week sustained one of its steepest one-week drops in the last quarter century, following last week's troubling jobs report with an all-hands retreat from what had been a tentative positive trend in consumer attitudes.

The ABC News Consumer Comfort Index dropped 6 points to -47 on its scale of +100 to -100, a highly unusual shift. It's fallen this far or farther in a single week only 13 times in 24 years – more than 1,250 weeks – of ongoing polling.

The fall washed away an advance in which the CCI had improved to its best in 16 months. It's vastly worse than its average, -12 in weekly polls since late 1985, much less its highs at the start of the past decade – including its record high, +38, 10 years ago this week.

Two of the index's three components – ratings of personal finances and the buying climate – matched their largest-ever one-week drops, down by 5 and 4 points, respectively. The third measure, on the national economy, simply has less room to move; 91 percent say it's bad.

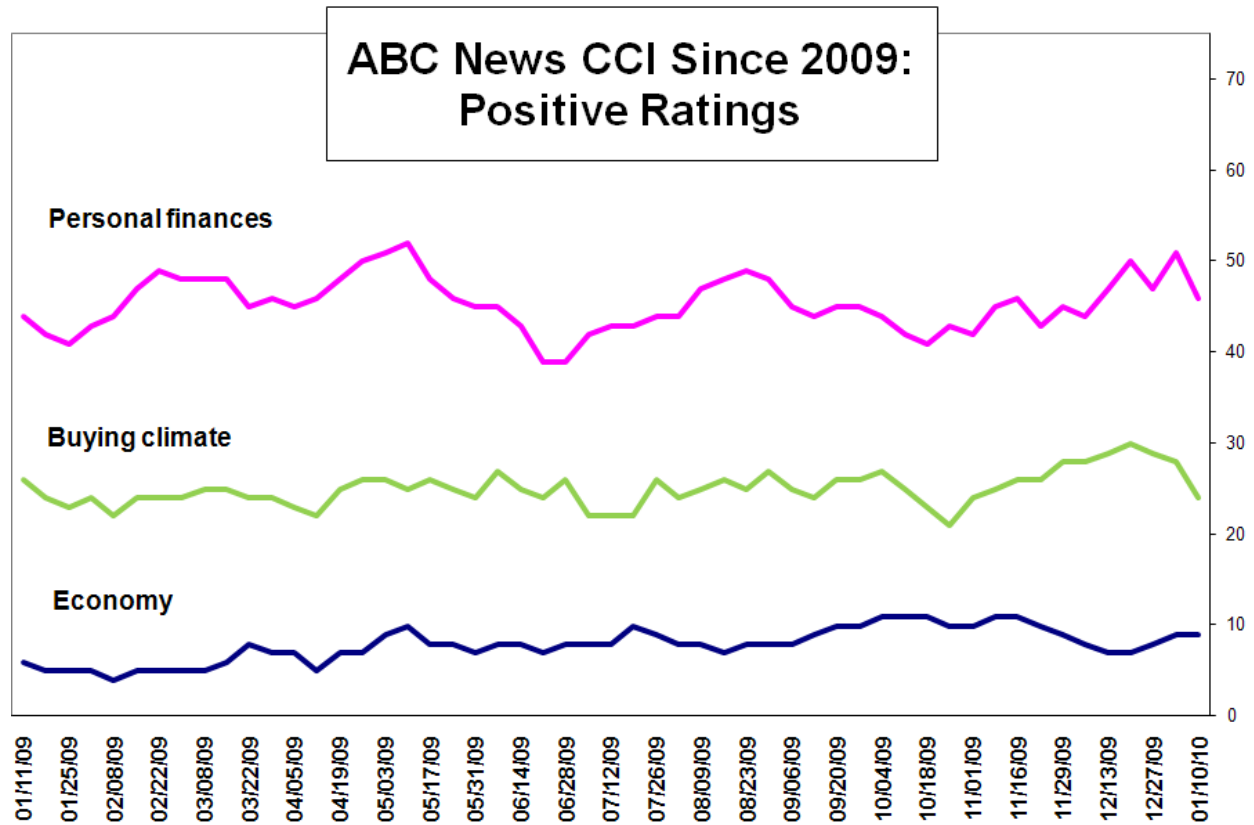


The drop follows last Friday’s report from the Bureau of Labor Statistics indicating a loss of 85,000 jobs in December, defying many economists’ expectations of growth. Unemployment remains at 10 percent – with four in 10 of the jobless out of work for more than 27 weeks.

The arrival of Christmas shopping bills may also have contributed to the fall. While this has not been a consistent issue in past years, consumers may now be especially vulnerable to sticker shock given their low confidence overall.

INDEX – Today 54 percent of Americans rate their personal finances negatively, up 5 points from last week (as noted, tying the record one-week spike) half or more for 74 of the last 77 weeks, a record by far. It’s 11 points worse than its long-term average.

Seventy-six percent call it a bad time to spend money, also matching its largest one-week rise and 13 points worse than average. And, as noted, the third component of the CCI is the worst by far: Only 9 percent positively rate the economy, 29 points below average.

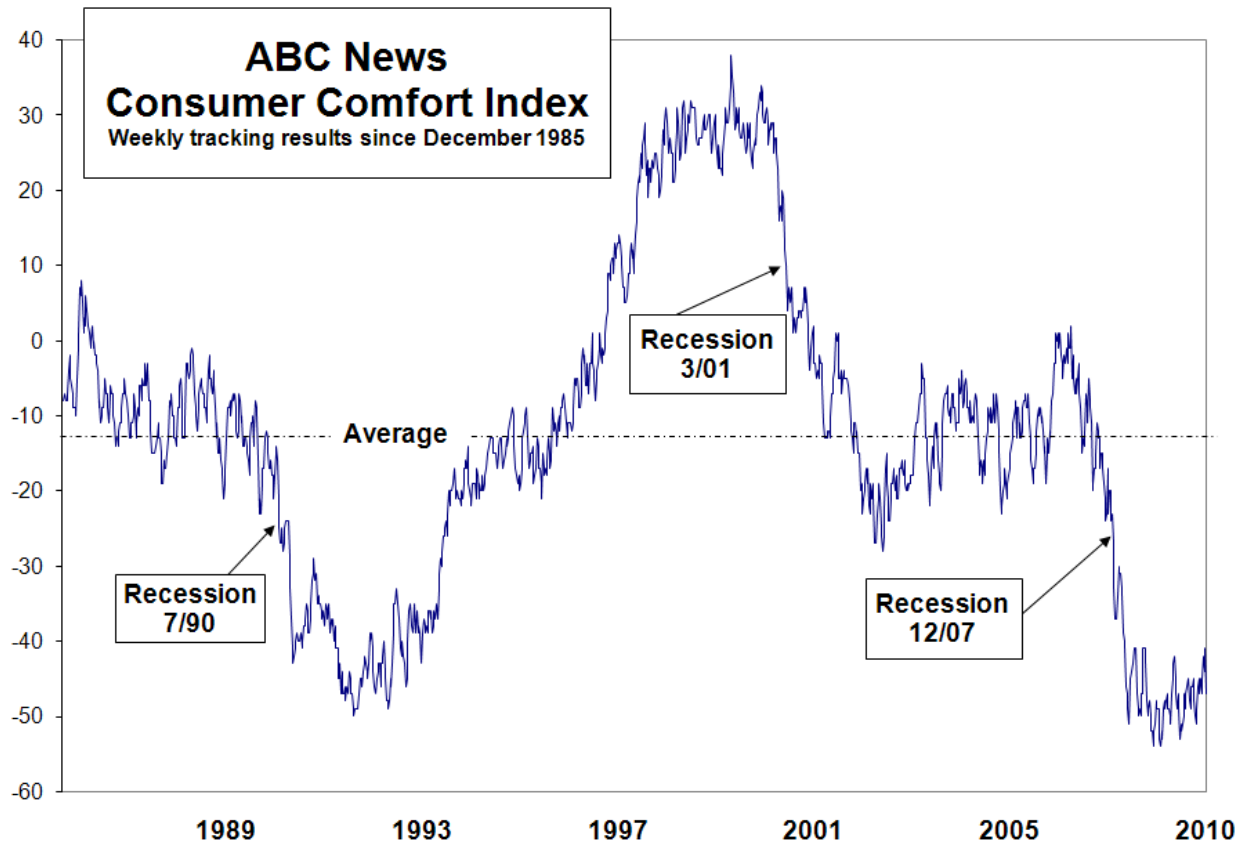


Positive ratings of:	ABC News CCI		Averages	
	This week	Last week	09/10	'85-'10
National economy	9%	9	8	38
Buying climate	24	28	25	37
Personal finances	46	51	45	57

Consumer Comfort Index -47 -41 -48 -12

TREND – The CCI had gained 6 points from early December until last week, reaching its highest since late September, 2008. That’s gone: The index is now within 7 points of its lowest, -54 last January. It’s been below -40 for a record 91 consecutive weeks.

As noted, the 6-point one-week slide is highly unusual; the last weekly drop this sharp was in late July 2008. The CCI’s fallen by 6 points eight times, 7 points four times and 9 points once in its history.



	ABC News CCI	
This week	-47	
Last week	-41	
2009 high	-42	Dec. 20 and May 10
2009 low	-54	Jan. 25, record low
2009 average	-48	Worst full year
2000 average	+29	Best full year
Jan. 16, 2000	+38	Record high
Average since 12/85	-12	

GROUPS – The index as usual is higher among better-off Americans, but has been negative across the board for 46 weeks straight, the longest such run in available data since 1990.

It's -1 among those with the highest incomes (the best since February 2009) but -74 among those with the lowest, -38 among people who've attended college vs. -54 among those who never finished high school, -42 among men while -51 among women, -44 among homeowners but -56 among renters and -43 among whites vs. -63 among blacks (their worst since April).

Partisan differences have essentially evaporated: The CCI's -49 among Republicans (their lowest in data since 1990) vs. -50 among Democrats (and -43 among independents). That insignificant 1-point Democratic-Republican gap compares with an 18-point gap last year, 41 points in 2008 and 32 points long-term.

Here's a closer look at the three components of the ABC News CCI:

NATIONAL ECONOMY – Nine percent of Americans rate the economy as excellent or good, the same as last week. The highest was 80 percent Jan. 16, 2000. The worst was 4 percent Feb. 8, 2009.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	9	1	8	91	45	46
Avg. since 12/85	38	3	34	62	40	23

PERSONAL FINANCES – Forty-six percent say their own finances are excellent or good; it was 51 percent last week. The best was 70 percent, last reached in January 2000. The worst was 39 percent June 28 and 21, 2009.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	46	4	42	54	33	21
Avg. since 12/85	57	5	51	43	30	13

BUYING CLIMATE – Twenty-four percent say it's an excellent or good time to buy things; it was 28 percent last week. The best was 57 percent on Jan. 16, 2000. The worst was 18 percent, last reached Oct. 19, 2008.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	24	2	22	76	45	31
Avg. since 12/85	37	3	34	63	42	21

METHODOLOGY – Interviews for the ABC News Consumer Comfort Index are reported in a four-week rolling average. This week's results are based on telephone interviews among a random national sample of 1,000 adults in the four weeks ending Jan. 10, 2010. The results have a 3-point error margin. Field work by ICR-International Communications Research of Media, Pa.

The index is derived by subtracting the negative response to each index question from the positive response to that question. The three resulting numbers are added and divided by three. The index can range from +100 (everyone positive on all three measures) to -100 (all negative on all three measures). The survey began in December 1985.

Analysis by Peyton M. Craighill.

ABC News polls can be found online at <http://abcnews.com/pollingunit>.

Media contact: Cathie Levine, (212) 456-4934.

01/10/10	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg

Group	-----							
GENERAL POPULATION:								
Overall Index	-47	-41	-45	-48	-49	-41	-54	-48
State of Economy	-82	-82	-86	-78	-88	-78	-92	-84
Personal Finances	-8	2	-6	-16	-12	4	-22	-9
Buying Climate	-52	-44	-42	-50	-48	-40	-58	-50

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-42	-32	-36	-42	-44	-28	-49	-41
Women	-51	-50	-51	-53	-53	-45	-60	-53
Age:								
18 - 34	-49	-35	-37	-43	-47	-31	-61	-44
35 - 44	-49	-49	-53	-53	-52	-35	-62	-49
45 - 54	-41	-39	-41	-50	-51	-36	-65	-48
55 - 64	-47	-47	-46	-46	-54	-39	-65	-51
65+	-45	-40	-45	-50	-45	-40	-56	-48
Income:								
Under \$15K	-74	-66	-73	-79	-77	-57	-84	-73
\$15K To \$24.9K	-66	-65	-67	-75	-66	-40	-81	-65
\$25K To \$39.9K	-64	-54	-52	-64	-63	-49	-73	-60
\$40K To \$49.9K	-44	-43	-34	-46	-55	-27	-68	-47
Over \$50K	-24	-24	-33	-23	-32	-19	-35	-28
\$50K To \$74.9K	-37	-31	-38	-37	-31	-24	-54	-38
\$75K To \$99.9K	-28	-34	-43	-13	-36	-12	-52	-30
Over \$100K	-1	-6	-8	-7	-31	5	-34	-15
Region:								
Northeast	-46	-46	-41	-52	-42	-38	-62	-49
Midwest	-50	-44	-49	-47	-57	-41	-58	-49
South	-51	-41	-42	-55	-52	-39	-59	-49
West	-37	-34	-42	-35	-42	-19	-58	-42
Race:								
White	-43	-38	-44	-47	-46	-38	-52	-46
Black	-63	-60	-43	-59	-62	-41	-68	-55
Politics:								
Republican	-49	-39	-42	-34	-33	-28	-49	-36
Democrat	-50	-47	-41	-52	-60	-40	-65	-53
Independent	-43	-39	-47	-55	-51	-37	-59	-48
Education:								
< High School	-54	-49	-55	-81	-71	-49	-82	-65
High Sch. Grad.	-57	-51	-52	-53	-50	-46	-65	-55
College +	-38	-33	-35	-36	-43	-30	-46	-38
Home:								
Own	-44	-38	-41	-38	-43	-35	-49	-42

Rent	-56	-51	-47	-71	-67	-47	-71	-59
Marital Status:								
Single	-56	-47	-44	-49	-51	-34	-66	-50
Married	-37	-34	-39	-40	-41	-33	-47	-41
Sep/Wid/Div	-59	-51	-52	-64	-64	-50	-70	-60
Employ. Status:								
Full-Time	-33	-28	-32	-38	-40	-28	-45	-38
Part-Time	-60	-53	-54	-44	-53	-31	-67	-50
Not Employed	-56	-51	-50	-59	-58	-48	-64	-56

END