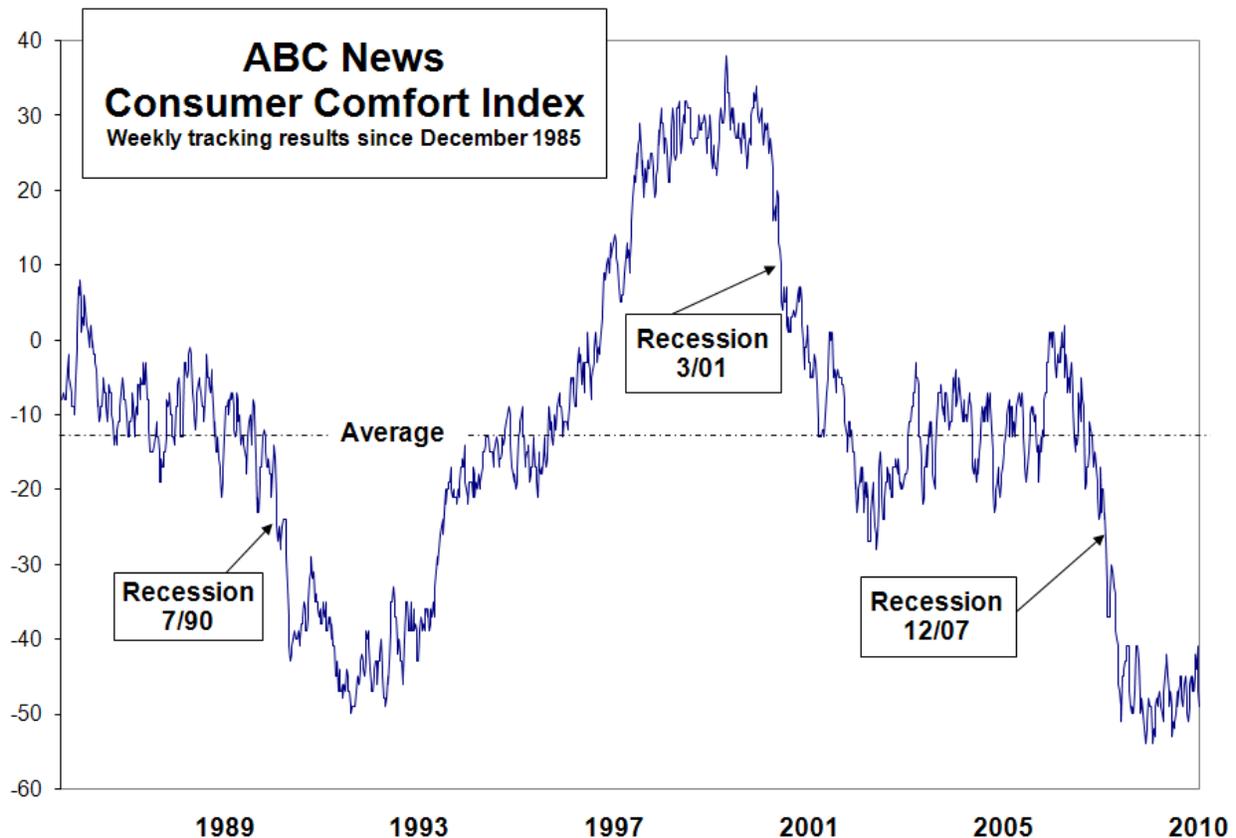


## **Consumer Confidence in Retreat, With Worsened Expectations as Well**

Current ratings of consumer confidence are in full retreat this month after moving ahead in December – and a separate measure finds expectations for the future worsening.

The ABC News Consumer Comfort Index, measuring current economic sentiment, stands at -49 on its scale of +100 to -100, 8 points lower than the start of the month and its lowest since Nov. 1. With its 6-point tumble last week, one of the sharpest one-week drops in 24 years of weekly polls, it's within striking distance of its worst on record, -54 a year ago.

Expectations for the economy's future, measured separately, are waning as well. This month significantly more say the economy is getting worse, 36 percent, than say it's getting better, 24 percent. Last month, by contrast, economic optimists equaled pessimists at 30 percent each.

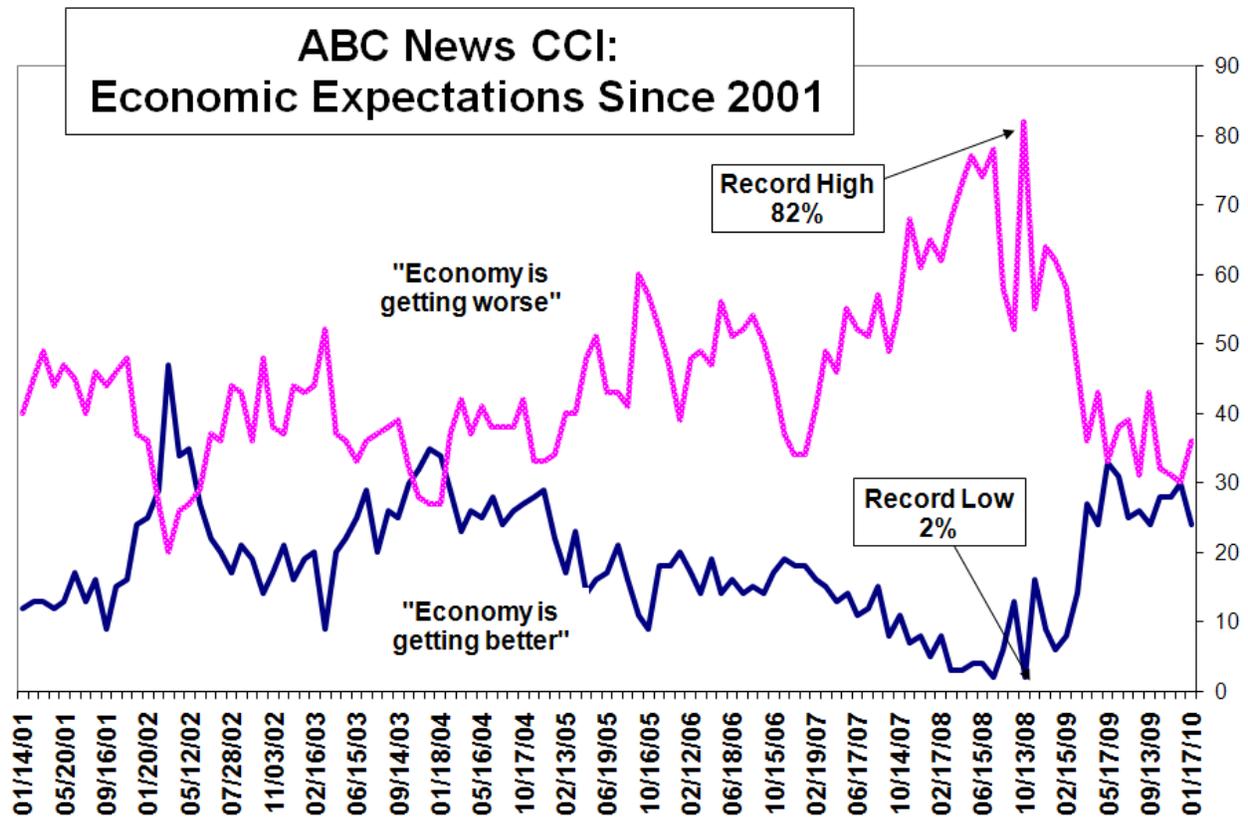


Blame, above all, the persistently negative employment situation. Unemployment remains at 10 percent; include discouraged workers – those no longer looking for a job – and it's 17.3 percent,

near its worst level in 16 years of data. The fallout from one in six Americans being out of work has ripple effects across families and the economy.

There are strong political impacts. A separate ABC News/Washington Post poll this week found Barack Obama down 15 points since he took office a year ago to 53 percent approval – almost exactly matching the first-year path of Ronald Reagan, the last president to take office in a recession. Fifty-two percent disapprove of Obama’s handling of the economy, although more blame its condition on the Bush administration than on Obama’s.

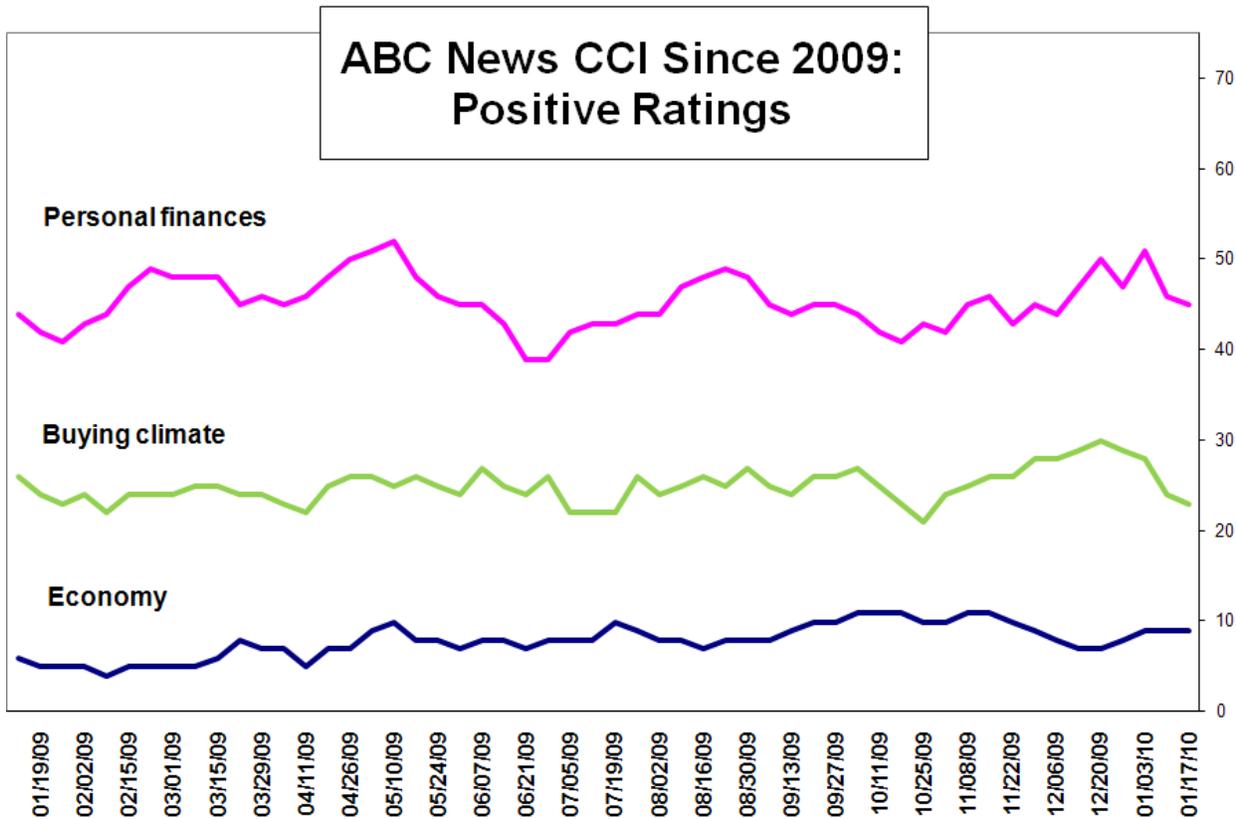
BETTER/WORSE – With its 6-point one-month gain, the number of Americans saying the economy is getting worse is its highest since September. The number who say things are getting better is down a corresponding 6 points. And an additional 39 percent say the economy is staying the same – a broader sign of malaise, given how negatively it’s rated.



	Economy's direction		
	Better	Worse	Same
1/17/10	24%	36	39
12/13/09	30	30	37
11/16/09	28	31	38
10/11/09	28	32	38
9/13/09	24	43	31
8/16/09	26	31	41
7/12/09	25	39	35
6/14/09	31	38	29

**CURRENT INDEX** – The CCI is based on Americans’ ratings of the national economy, their personal finances and the buying climate. Forty-five percent of Americans rate their personal finances positively, down 6 points in two weeks. Positive ratings have been below a majority for 75 of the last 78 weeks, a record by far, and are 12 points below than their long-term average.

Twenty-three percent call it a good time to spend money, down 5 points in two weeks and 14 points worse than average. And the third component of the CCI is the worst by far: Only 9 percent rate the national economy positively, 29 points below average. It’s averaged just 8 percent positive for the last 15 months.



Positive ratings of:	ABC News CCI		Averages	
	This week	Last week	09/10	'85-'10
National economy	9%	9	8	38
Buying climate	23	24	25	37
Personal finances	45	46	45	57
Consumer Comfort Index	-49	-47	-48	-12

**TREND** – The index ran up from -47 in early December to -41 in early January, its highest since September 2008 (albeit still dismal). But in the last two weeks the CCI’s shed 8 points; last week’s 6-point drop has been matched or exceeded only 13 times in over 1,250 weeks of polls.

The CCI is now just a point from the dreaded -50 barrier for the first time since late October. And it's been below -40 for a record 91 consecutive weeks. Compare these to its long-term average, -12, much less its high, +38 in January 2000.

	ABC News CCI	
This week	-49	
Last week	-47	
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 47 weeks straight, the longest such run in available data since 1990.

It's -3 among those with the highest incomes but -74 among those with the lowest, -39 among people who've attended college vs. -57 among those who never finished high school, -44 among men while -52 among women, -46 among homeowners but -56 among renters and -46 among whites vs. -65 among blacks (their worst since April).

Republicans have reached a new low, -54, in data since 1990. That compares with -52 for Democrats (and -41 for independents). The insignificant 2-point gap in the Democrats' favor is very unusual; this is only the 11<sup>th</sup> time it's occurred. It compares with an average 18-point gap last year, an average 41 points in 2008 and an average 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-five percent say their own finances are excellent or good; it was 46 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	45	5	40	55	35	20
Avg. since 12/85	57	5	51	43	30	13

BUYING CLIMATE – Twenty-three percent say it’s an excellent or good time to buy things; it was 24 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	23	2	21	77	45	32
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. 17, 2010. The results have a 3-point error margin. The expectations question was asked of 500 respondents Jan. 6-17, 2010; that result has a 4.5-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.

ERRATA – A programming problem at ICR created errors in crosstabulated results by income group. The CCI overall and in other crosstabulations was not affected. This report has been updated with corrected results by income group.

Analysis by Peyton M. Craighill.

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

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

01/17/10	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	-49	-47	-42	-50	-53	-41	-54	-48
State of Economy	-82	-82	-86	-78	-90	-78	-92	-84
Personal Finances	-10	-8	0	-18	-16	4	-22	-9
Buying Climate	-54	-52	-40	-54	-52	-40	-58	-50
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-44	-42	-34	-44	-46	-28	-49	-41
Women	-52	-51	-49	-55	-58	-45	-60	-53
Age:								
18 - 34	-49	-49	-33	-46	-53	-31	-61	-44
35 - 44	-47	-49	-58	-55	-52	-35	-62	-49
45 - 54	-52	-41	-38	-45	-57	-36	-65	-48
55 - 64	-46	-47	-44	-50	-55	-39	-65	-51

65+	-46	-45	-41	-55	-45	-40	-56	-48
Income:								
Under \$15K	-74	-74	-72	-78	-78	-57	-84	-73
\$15K To \$24.9K	-63	-66	-60	-73	-70	-40	-81	-65
\$25K To \$39.9K	-60	-64	-53	-61	-67	-49	-73	-60
\$40K To \$49.9K	-51	-44	-46	-47	-53	-27	-68	-47
Over \$50K	-26	-24	-25	-26	-34	-19	-35	-28
\$50K To \$74.9K	-45	-37	-41	-44	-31	-24	-54	-38
\$75K To \$99.9K	-19	-28	-31	-19	-39	-12	-52	-30
Over \$100K	-3	-1	-10	-6	-34	5	-34	-14
Region:								
Northeast	-49	-46	-41	-56	-44	-38	-62	-49
Midwest	-55	-50	-43	-44	-58	-41	-58	-48
South	-50	-51	-40	-56	-56	-39	-59	-49
West	-39	-37	-42	-41	-47	-19	-58	-42
Race:								
White	-46	-43	-42	-51	-50	-38	-52	-46
Black	-65	-63	-43	-56	-63	-41	-68	-55
Politics:								
Republican	-54	-49	-40	-33	-33	-28	-54	-37
Democrat	-52	-50	-43	-52	-64	-40	-65	-53
Independent	-41	-43	-43	-59	-55	-37	-59	-48
Education:								
< High School	-57	-54	-50	-82	-76	-49	-82	-65
High Sch. Grad.	-62	-57	-50	-55	-55	-46	-65	-55
College +	-39	-38	-34	-39	-45	-30	-46	-38
Home:								
Own	-46	-44	-39	-40	-47	-35	-49	-43
Rent	-56	-56	-49	-71	-68	-47	-71	-59
Marital Status:								
Single	-58	-56	-40	-52	-59	-34	-66	-50
Married	-37	-37	-38	-42	-42	-33	-47	-40
Sep/Wid/Div	-64	-59	-50	-64	-67	-50	-70	-60
Employ. Status:								
Full-Time	-34	-33	-33	-39	-42	-28	-45	-37
Part-Time	-66	-60	-45	-47	-64	-31	-67	-50
Not Employed	-55	-56	-48	-61	-60	-48	-64	-56

1. Do you think the nation's economy is getting better, getting worse or staying the same?

	Getting better	Getting worse	Staying the same	No opinion
1/17/10	24	36	39	1
12/13/09	30	30	37	3
11/16/09	28	31	38	3
10/11/09	28	32	38	2
9/13/09	24	43	31	2
8/16/09	26	31	41	2
7/12/09	25	39	35	1
6/14/09	31	38	29	1
5/17/09	33	33	33	1
4/11/09	24	43	32	2
3/29/09*	27	36	36	1
3/15/09	14	48	36	2
2/15/09	8	58	31	3

1/19/09           6           62           31           1  
\*ABC News/Washington Post poll  
Call for full trend.

\*\*\*END\*\*\*