

## **Buying Climate Weakens as Gasoline Prices Spike**

Public ratings of the buying climate are losing ground as gasoline prices rise.

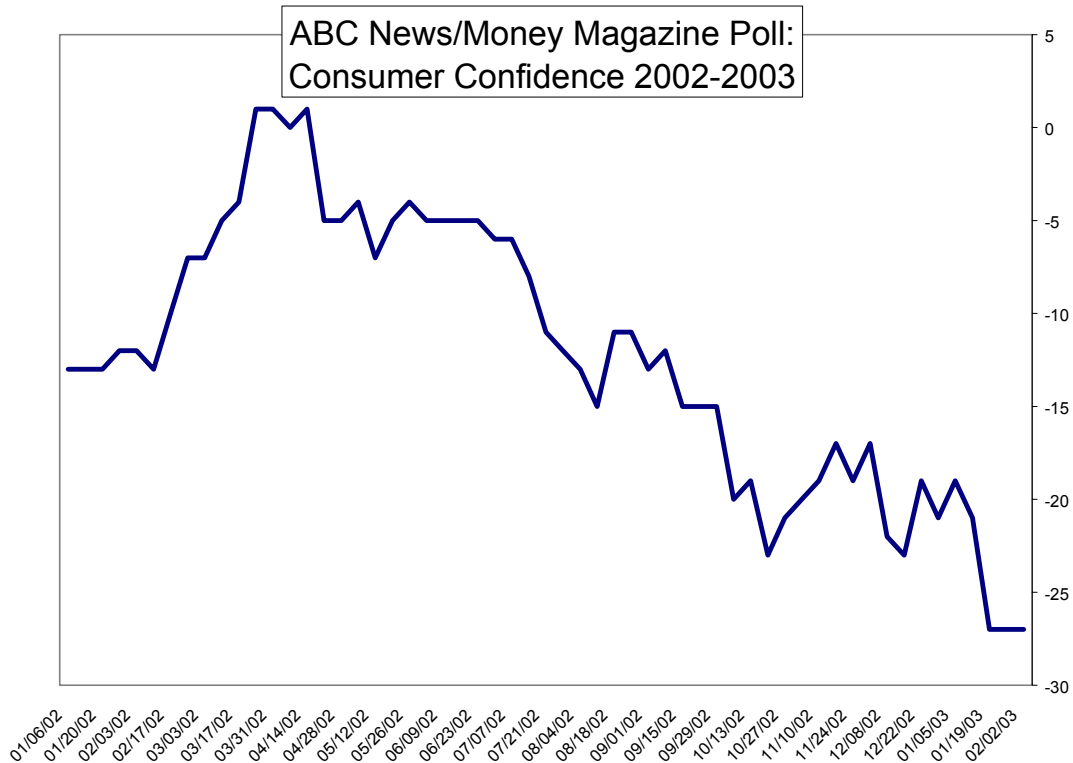
Sixty-seven percent of Americans in the latest ABC News/Money Magazine poll call it a bad time to spend money, up four points in three weeks to its highest since January 1996. Gasoline prices have jumped by 17 cents per gallon in the last seven weeks, seven cents in the last three weeks and five cents in the last week alone.

In the last year gas prices have risen by 38 percent – and ratings of the buying climate have worsened by eight points.

Overall consumer confidence was flat this week, with the weekly ABC/Money Consumer Comfort Index unchanged at its lowest since December 1993. In addition to their views on the buying climate, 76 percent rate the economy negatively and 48 percent say their own finances are in bad shape, both unchanged in the last three weeks.

The ABC/Money Index, based on these measures, is -27 on its scale of +100 to -100, the same as it's been since dropping sharply the week of Jan. 19. As a result of that fall, the index is down eight points since the start of the year.

ABC News/Money magazine poll

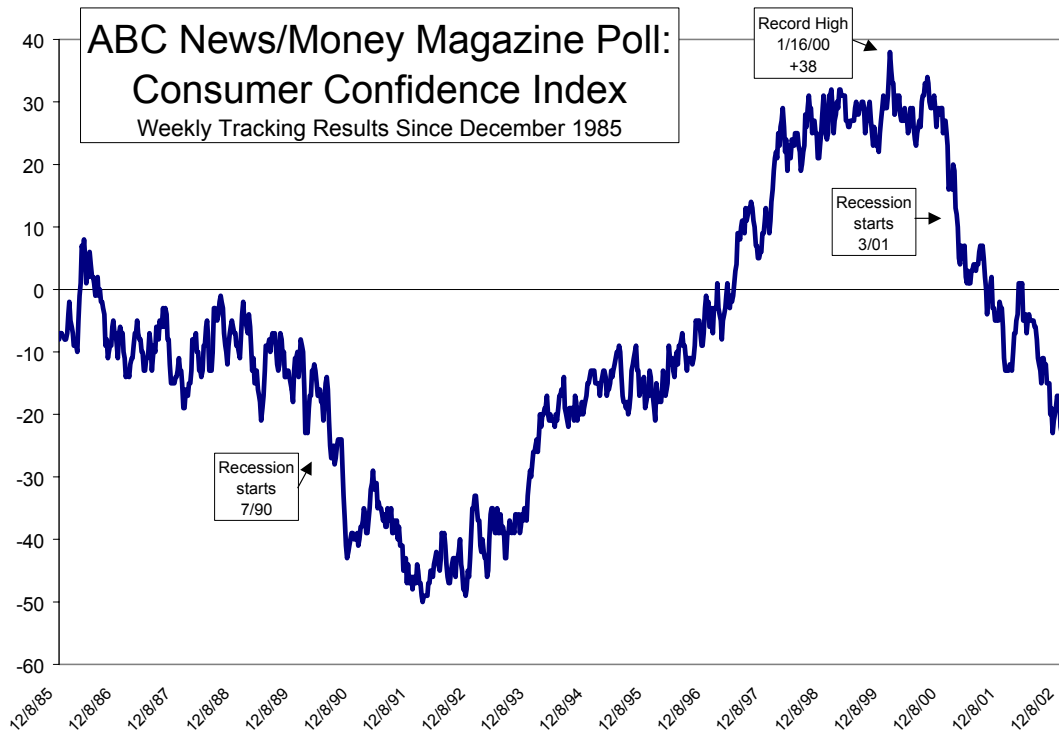


Positive ratings of:	This week	1/5/03	2002 high	2002 low	17-yr. avg.
National economy	24%	28	45	25	41
Buying climate	33	37	45	36	39
Personal finances	52	57	63	52	57
Consumer Comfort Index	-27	-19	+1	-23	-9

**TREND** – The ABC/Money index has averaged -9 since its start in Dec. 1985. Its weekly low was -50 in February 1992; its annual low, an average of -44 in 1992. Its best was +38 in January 2000, with an annual average in 2000 of +29.

Last year the index averaged -11, its worst since 1996.

	ABC/Money Index	
Today	-27	
Last week	-27	
Three weeks ago	-21	
2002 high	+1	March, April
2002 low	-23	Oct. 20, Dec. 15
2002 average	-11	
2001 average	+4	
2000 average	+29	Best full year
1992 average	-44	Worst full year
Jan. 16, 2000	+38	Record high
Feb. 9, 1992	-50	Record low
Average since 12/85	-9	



**GROUPS** - As usual, confidence is higher among better-off Americans. The index stands at -8 among people in higher-income households compared to -50 in the lowest, -12

among college graduates while -45 among high-school dropouts, -23 among whites while -51 among blacks and -18 among men while -35 among women.

Here's a closer look at the three components of the ABC/Money index:

**NATIONAL ECONOMY** - Twenty-four percent of Americans rate the nation's economy as excellent or good, the same as last week. The best was 80 percent Jan. 16, 2000. The worst was seven percent in late 1991 and early 1992.

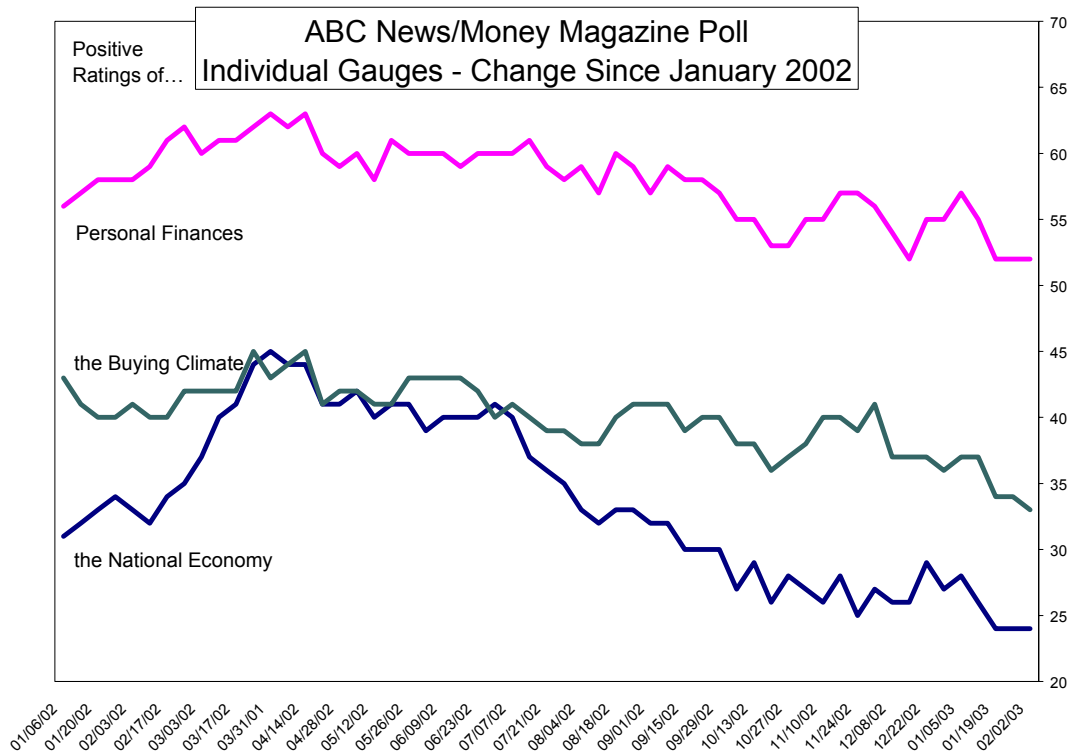
	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	24	1	23	76	50	26
Avg. since 12/85	41	4	37	59	40	19

**PERSONAL FINANCES** - Fifty-two percent rate their own finances as excellent or good, the same as last week. The best was 70 percent, set Aug. 30, 1998 and last matched in January 2000. The worst was 42 percent March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	52	5	47	48	33	15
Avg. since 12/85	57	5	53	43	30	12

**BUYING CLIMATE** - Thirty-three percent say it's an excellent or good time to buy things they want and need; it was 34 percent last week. The best was 57 percent Jan. 16, 2000. The worst was 20 percent in fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	33	2	31	67	46	21
Avg. since 12/85	39	3	36	61	41	20



METHODOLOGY - The ABC News/Money magazine Consumer Comfort Index represents a rolling average based on telephone interviews with a random sample of about 1,000 adults nationwide each month. This week's results are based on 1,007 interviews in the month ending Feb. 2, 2003 and have an error margin of plus or minus three percentage points. Field work by ICR-International Communications Research of Media, Pa.

The ABC/Money index is derived as follows: The negative response to each index question is subtracted from the positive response to that question. The three resulting numbers are then 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 Dalia Sussman.

ABC News polls can be found at ABCNEWS.com on the Internet, at:

<http://abcnews.go.com/sections/us/PollVault/PollVault.html>

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

02/02/03	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	-27	-27	-19	-20	-12	1	-27	-12
State of Economy	-52	-52	-44	-46	-34	-10	-52	-33
Personal Finances	4	4	14	10	16	26	4	16
Buying Climate	-34	-32	-26	-24	-18	-10	-34	-20
-----								
OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-18	-18	-11	-7	-3	9	-18	-5
Women	-35	-34	-25	-31	-21	-4	-38	-19
Age:								
18 - 34	-25	-24	-4	-16	-6	10	-25	-5
35 - 44	-23	-27	-24	-10	-11	3	-31	-14
45 - 54	-31	-23	-31	-29	-19	6	-37	-14
55 - 64	-36	-34	-18	-20	-12	20	-36	-13
65 +	-24	-28	-31	-28	-17	-5	-36	-21
Income:								
Under \$15K	-50	-56	-49	-37	-44	-26	-61	-45
\$15K To \$24.9K	-46	-43	-44	-30	-31	-19	-55	-33
\$25K To \$39.9K	-34	-34	-43	-22	-15	1	-43	-19
\$40K To \$49.9K	-22	-12	-11	-13	-14	12	-30	-6
Over \$50K	-8	-7	12	-15	12	33	-15	10
Region:								
Northeast	-30	-31	-17	-28	-14	2	-32	-16
Midwest	-24	-22	-18	-24	-14	4	-27	-12
South	-28	-28	-25	-23	-9	4	-29	-13
West	-25	-24	-10	-2	-14	9	-25	-8
Race:								

White	-23	-21	-16	-15	-7	7	-23	-8
Black	-51	-60	-37	-40	-33	-18	-60	-38
Politics:								
Republican	0	4	14	5	11	34	0	12
Democrat	-39	-42	-32	-35	-23	-14	-42	-26
Independent	-34	-37	-38	-18	-13	-2	-38	-16
Education:								
< High School	-45	-48	-46	-29	-39	-12	-59	-36
High Sch. Grad.	-40	-38	-26	-25	-12	-3	-40	-16
College +	-12	-10	-3	-13	-3	13	-18	-1
Home:								
Own	-24	-23	-13	-19	-10	9	-24	-8
Rent	-34	-36	-33	-23	-17	-9	-40	-23
Marital Status:								
Single	-13	-19	-15	-18	-5	10	-20	-9
Married	-27	-25	-14	-17	-4	11	-27	-8
Sep/Wid/Div	-40	-40	-38	-28	-42	-14	-42	-29
Employ. Status:								
Full-Time	-19	-19	-10	-9	0	12	-20	-4
Part-Time	-39	-30	-21	-25	-13	14	-39	-10
Not Employed	-34	-36	-32	-32	-25	-13	-40	-24

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