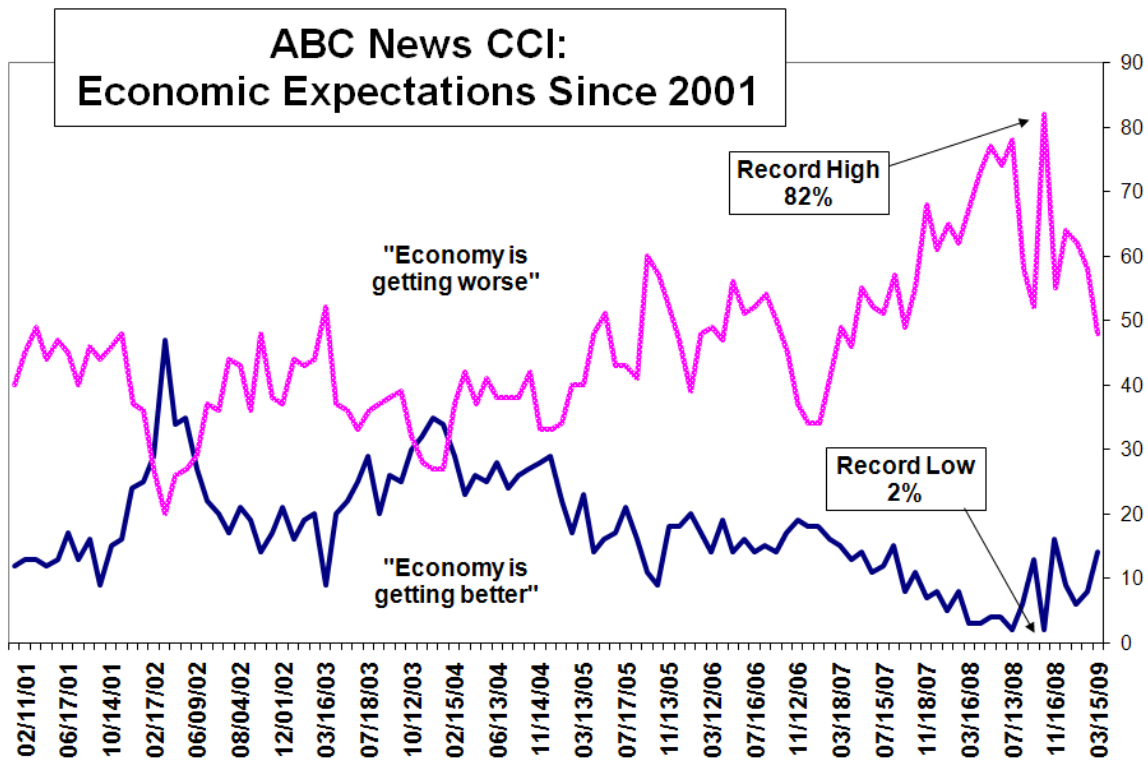


## **Economic Pessimism Eases; Confidence at 2009 High**

Economic pessimism has eased to a two-year low and confidence has inched up to its best level in five months, but the public's outlook remains largely negative as confidence lingers near its record low.

Five months ago, during the meltdown in the financial and banking markets, economic pessimism spiked to its worst in 28 years. Now expectations have improved with fewer than half, 48 percent, saying the economy will get worse, down 10 points in a month to its lowest level since April 2007.

Even though pessimism has backed off, the public remains generally negative. The ABC News Consumer Comfort Index stands at -47 on its scale of +100 to -100, its highest since early October. The index has pushed above the dreaded -50 level for the past month after its worst stretch ever from mid-January to mid-February. Still, confidence is only 7 points from the record low of -54 on Jan. 25.

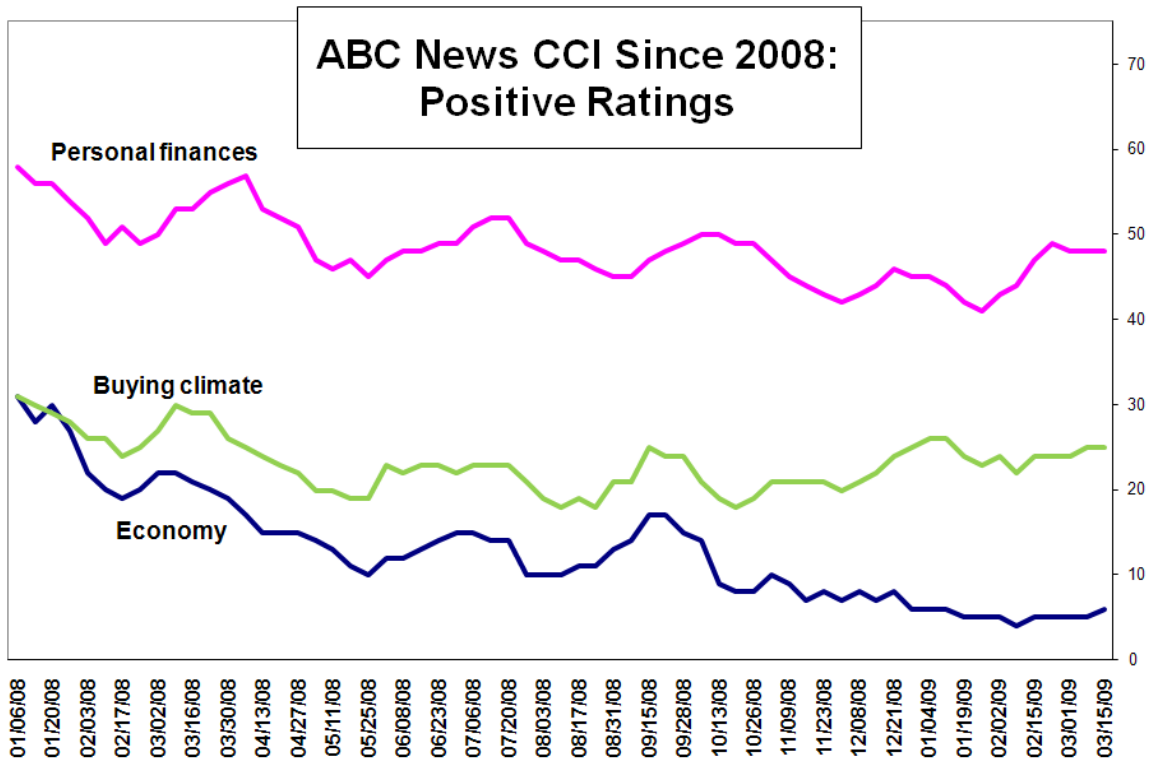


The slight reprieve in confidence coincides with a rally in the stock market. Last week the Dow Jones had its first four-day winning streak in over three months and finished at its highest since Feb. 25. But the history of the CCI shows a weak relationship to stock trading. A more relevant measure to consumers is the unemployment rate and that one remains dismal. At 8.1 percent, unemployment is at a 25-year high.

INDEX – The CCI is based on Americans’ ratings of the economy, their personal finances and the buying climate. Ratings of personal finances have held steady for three weeks at 48 percent positive, 7 points from their low in late January and 9 points below the long-term average in weekly polls since late 1985. Fewer than a majority have rated their own finances positively for 34 weeks straight, surpassed only by a 40-week run in 1992-93.

One in four Americans rate the buying climate positively, 13 points from the long-term average and just 7 points from the low in October and August. Fewer than a third of Americans have said it’s a good time to buy things for 70 weeks, second only to a stretch from 1990-93.

Ratings of the economy are the weakest of the three measures, only 6 percent positive and in single digits for a record 19 weeks. Positive ratings of the economy are 33 points below their long-term average and 9 points off last year’s average.



ABC News CCI

Averages

Positive ratings of:	This week	Last week	2009	'85-'09
National economy	6%	5	5	39
Buying climate	25	25	24	38
Personal finances	48	48	45	57
Consumer Comfort Index	-47	-48	-50	-11

**EXPECTATIONS** – As noted, economic expectations have improved from their recent slump. Forty-eight percent say the economy's getting worse, 10 points fewer than last month – and far down from an unusual 82 percent in October. Still, pessimism is above the long-term average, 41 percent in polls since March 1981.

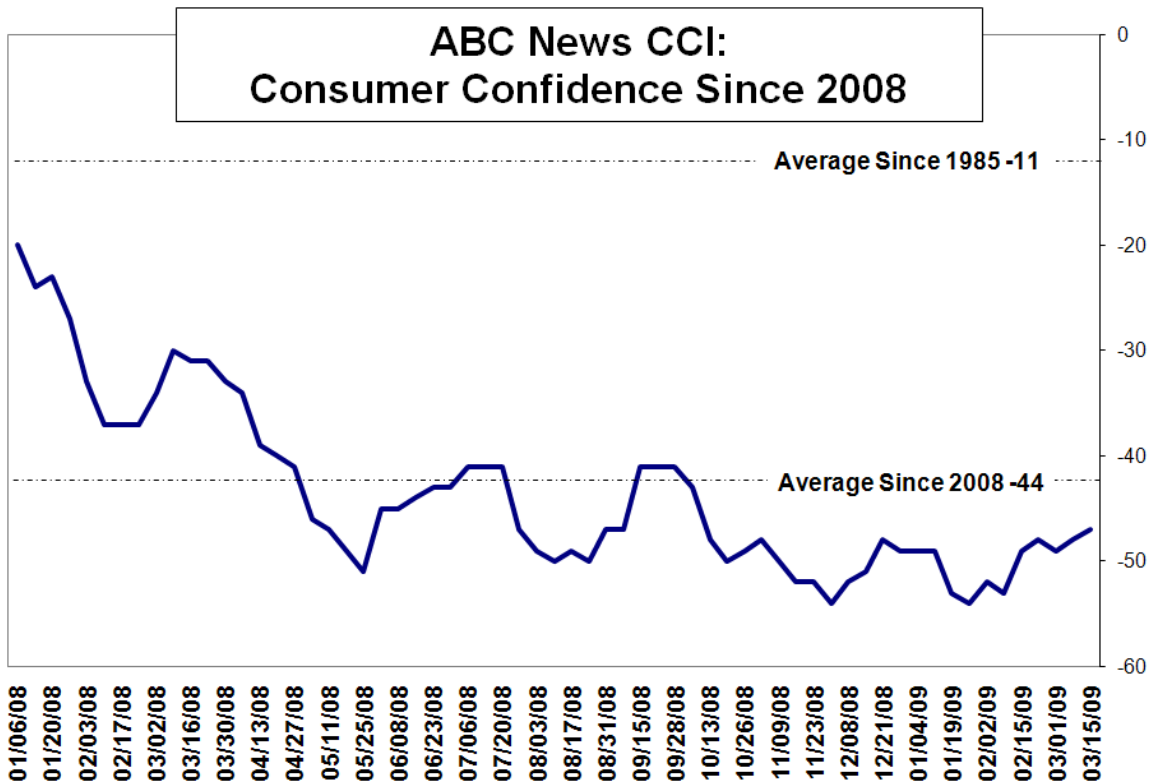
Fourteen percent think the economy's getting better, up from last month's 8 percent and the first time positive expectations have seen double digits in four months since peaking at 16 percent in November, the highest since early 2007.

	Economy's direction		
	Better	Worse	Same
3/15/09	14%	48	36
2/15/09	8	58	31
1/19/09	6	62	31
12/15/08	9	64	25
11/16/08	16	55	28
10/13/08	2	82	13
9/15/08	13	52	34
8/17/08	6	58	36
7/13/08	2	78	18
6/15/08	4	74	21
5/11/08	4	77	18
4/13/08	3	73	22

**TREND** – The index, as noted, is at its best since early October and has elbowed its way up 7 points since hitting the floor in late January. Until this week, the CCI had wallowed within a narrow 6-point range, from -48 to -54, since mid-October – a record slump of 22 weeks.

Still, the index has been below -40 for 47 consecutive weeks, a record, and hasn't seen positive territory in two years. At -47, the CCI stands 36 points below its long-term average and the index's average for the year so far is -50, 6 points below the worst annual average on record, -44 in 1992.

Its best yearlong average was +29 in 2000; its best week, +38 in January 2000.



	ABC News CCI	
This week	-47	2009 high
Last week	-48	
2009 low	-54	Jan. 25, record low
2009 average	-50	
2000 average	+29	Best full year
1992 average	-44	Worst full year
Jan. 16, 2000	+38	Record high
Average since 12/85	-11	

GROUPS – The CCI is higher as usual among better-off groups, but negative across the board for the third straight week.

It's -14 among those with the highest incomes (their worst since Jan. 19) compared with -66 among those with the lowest (their best since Dec. 28), -45 among those who've attended college vs. -51 among high school dropouts (their best since Dec. 21), -41 among men (their best since Jan. 4) while -51 among women, -43 among homeowners vs. -56 among renters, and -45 among whites (their best since Nov. 2) vs. -61 among blacks.

Partisan differences remain: The index is -32 among Republicans vs. -58 among Democrats and -43 among independents (their best since Sept. 28).

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

NATIONAL ECONOMY – Six percent of Americans rate the economy as excellent or good; it was 5 percent last week. The highest was 80 percent Jan. 16, 2000. The worst was 4 percent Feb. 8.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	6	1	5	94	29	65
Avg. since 12/85	39	3	35	61	40	22

PERSONAL FINANCES – Forty-eight percent say their own finances are excellent or good, the same as the last two weeks. The best was 70 percent, last reached in January 2000. The worst was 41 percent Jan. 25.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	48	5	43	52	34	18
Avg. since 12/85	57	5	52	43	30	13

BUYING CLIMATE – Twenty-five percent say it’s an excellent or good time to buy things, the same as last week. The best was 57 percent on Jan. 16, 2000. The worst was 18 percent Oct. 19, Aug. 10 and Aug. 24, 2008.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	25	3	22	75	44	31
Avg. since 12/85	38	3	35	62	41	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 March 15, 2009. The results have a 3-point error margin. The expectations question was asked of 500 respondents March 4-15, 2009; 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.

Analysis by Peyton M. Craighill.

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

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

03/15/09	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	-48	-49	-51	-31	-31	-54	-46
State of Economy	-88	-90	-90	-86	-58	-58	-92	-78
Personal Finances	-4	-4	-6	-12	6	14	-18	-5
Buying Climate	-50	-50	-52	-56	-42	-42	-64	-55

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:								
Men	-41	-43	-45	-41	-23	-23	-49	-41
Women	-51	-51	-51	-59	-38	-35	-59	-50
Age:								
18 - 34	-40	-43	-52	-48	-12	-12	-60	-44
35 - 44	-48	-46	-35	-49	-37	-27	-58	-44
45 - 54	-46	-49	-49	-56	-35	-31	-61	-48
55 - 64	-52	-50	-55	-55	-45	-32	-64	-49
65+	-51	-53	-49	-46	-40	-31	-55	-45
Income:								
Under \$15K	-66	-72	-80	-58	-68	-51	-87	-74
\$15K To \$24.9K	-74	-73	-69	-69	-53	-44	-83	-67
\$25K To \$39.9K	-61	-66	-63	-58	-48	-41	-71	-57
\$40K To \$49.9K	-46	-50	-56	-62	-46	-16	-62	-48
Over \$50K	-31	-30	-27	-39	-10	-8	-41	-27
\$50K To \$74.9K	-43	-46	-54	-51	-35	-28	-57	-41
\$75K To \$99.9K	-31	-30	-39	-36	-10	-5	-52	-30
Over \$100K	-14	-6	5	-24	15	18	-34	-10
Region:								
Northeast	-56	-61	-54	-51	-29	-29	-62	-51
Midwest	-46	-45	-48	-53	-34	-31	-58	-46
South	-44	-43	-51	-57	-30	-28	-59	-46
West	-43	-44	-40	-37	-30	-14	-56	-41
Race:								
White	-45	-47	-46	-48	-28	-28	-50	-43
Black	-61	-57	-58	-55	-49	-47	-81	-63
Politics:								
Republican	-32	-31	-28	-39	-2	-1	-40	-22
Democrat	-58	-58	-59	-58	-46	-42	-70	-59
Independent	-43	-46	-51	-49	-42	-36	-55	-47
Education:								
< High School	-51	-55	-63	-53	-57	-37	-77	-62
High Sch. Grad.	-46	-47	-57	-53	-26	-26	-62	-50
College +	-45	-46	-40	-48	-24	-24	-50	-38
Home:								
Own	-43	-43	-43	-46	-28	-26	-49	-40
Rent	-56	-57	-65	-66	-39	-39	-80	-61
Marital Status:								
Single	-34	-42	-56	-53	-26	-26	-69	-50
Married	-45	-44	-39	-43	-26	-22	-46	-38
Sep/Wid/Div	-68	-64	-63	-68	-53	-52	-69	-62
Employ. Status:								
Full-Time	-39	-39	-40	-43	-24	-19	-47	-37
Part-Time	-38	-43	-31	-53	-25	-19	-66	-47
Not Employed	-57	-57	-62	-61	-43	-42	-66	-55

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
3/15/09	14%	48	36	2
2/15/09	8	58	31	3
1/19/09	6	62	31	1
12/15/08	9	64	25	1
11/16/08	16	55	28	1
10/13/08	2	82	13	2
9/15/08	13	52	34	2
8/17/08	6	58	36	*
7/13/08	2	78	18	2
6/15/08	4	74	21	1
5/11/08	4	77	18	1
4/13/08	3	73	22	1

Call for full trend.

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