

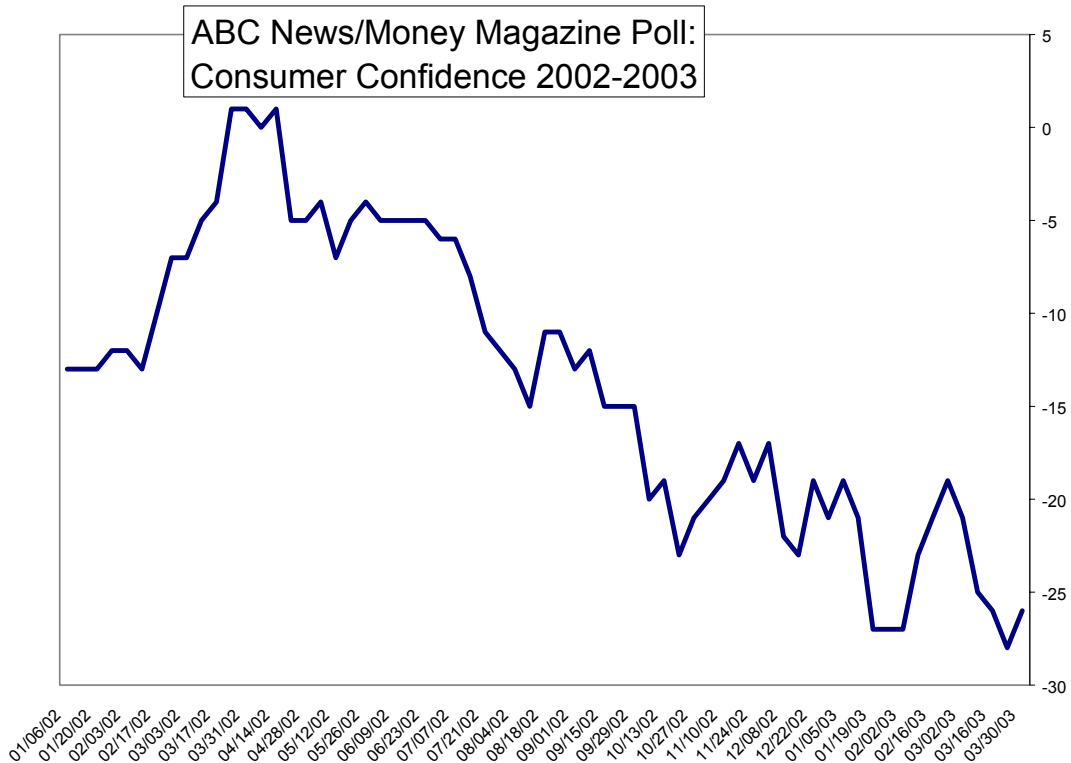
## Confidence in a Trough

Consumer confidence stayed in a trough this week, near its lowest in nine years – neither substantively damaged, nor improved, by the war in Iraq.

The ABC News/Money magazine Consumer Comfort Index stands at -26 on its scale of +100 to -100, compared to -28 last week. It's been at or below -25 for the last four weeks straight, a level of negativity unseen since December 1993.

The war, though, does not look to be having a direct impact on confidence; after dropping back in advance of the hostilities, it now looks essentially flat. That matches its trend at the start of the 1991 Gulf War – the index was -40 the week before the war began, and stayed about there (-39 to -35) during the seven weeks of fighting.

ABC/Money Index
3/30/03 -26
3/23/03 -28
3/16/03 -26
3/09/03 -25
3/02/03 -21
2/23/03 -19

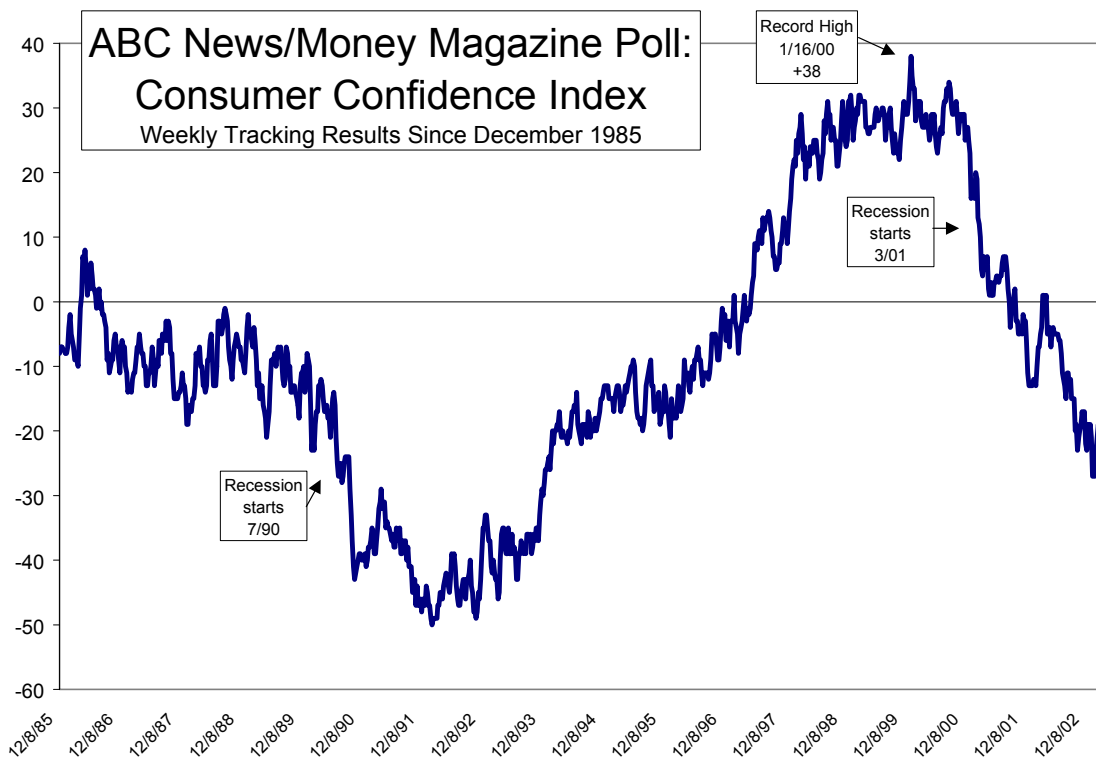


Just 22 percent of Americans now rate the national economy positively, compared to an average of 41 percent in 17 years of weekly polling. Thirty-four percent say it's a good time to buy things and 55 percent rate their own finances positively, each much closer to its long-term average.

Positive ratings of:	ABC News/Money magazine poll				
	This week	Last week	2003 high	2003 low	17-yr. avg.
National economy	22%	21	30	21	41
Buying climate	34	33	37	32	39
Personal finances	55	54	57	52	57
Consumer Comfort Index	-26	-28	-19	-28	-9

This poll is based on a four-week rolling average; today's report includes two weeks' worth of interviews conducted after the start of the war with Iraq, plus interviews from the two previous weeks.

In addition to this weekly index of current economic sentiment, the ABC/Money poll measures expectations of the economy's future direction separately, on a monthly basis. Economic pessimism climbed in March to its worst since 1992.



**TREND** –The ABC/Money index peaked at +38 in January 2000 and averaged +29 that year, its best ever. It cratered to -50 in February 1992 and averaged -44 that year, its worst ever. Last year, its worst since 1996, the index averaged -11. So far this year it's averaged -24. Its 17-year average is -9.

Today	-26	
Last week	-28	2003 low
Recent high	+1	March, April 2002
2003 average	-24	To date
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 is +7 among people in higher-income households compared to -53 in the lowest, -15 among college graduates while -38 among high-school dropouts, -21 among whites but -49 among blacks and -12 among men while -37 among women. Confidence is better in the West – now -18 there, compared to -32 in the East and -31 in the Midwest.

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

**NATIONAL ECONOMY** – Twenty-two percent of Americans rate the nation's economy as excellent or good; it was 21 percent 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	22	1	21	78	50	28
Avg. since 12/85	41	4	37	59	40	19

**PERSONAL FINANCES** - Fifty-five percent rate their own finances as excellent or good; it was 54 percent 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	55	5	50	45	33	12
Avg. since 12/85	57	5	53	43	30	12

**BUYING CLIMATE** - Thirty-four percent say it's an excellent or good time to buy things they want and need; it was 33 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	34	3	31	66	47	19
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 1,006 interviews in the month ending March 30, 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 Gary Langer.

ABC News polls can be found at ABCNEWS.com on the Internet, at:  
<http://abcnews.go.com/sections/us/PollVault/PollVault.html>

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03/30/03	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
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Group	-----							
GENERAL POPULATION:								
Overall Index	-26	-28	-21	-21	1	1	-28	-15
State of Economy	-56	-58	-44	-46	-10	-10	-58	-36
Personal Finances	10	8	12	10	26	26	4	14
Buying Climate	-32	-34	-30	-28	-14	-10	-36	-23
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-12	-16	-11	-16	7	9	-18	-7
Women	-37	-37	-30	-26	-4	-4	-38	-21
Age:								
18 - 34	-17	-25	-17	-9	1	10	-25	-8
35 - 44	-17	-16	-12	-28	-1	-1	-31	-15
45 - 54	-41	-41	-24	-30	2	6	-41	-18
55 - 64	-22	-21	-36	-19	19	19	-39	-17
65 +	-33	-32	-27	-33	-10	-5	-36	-23
Income:								
Under \$15K	-53	-53	-48	-51	-41	-26	-61	-46
\$15K To \$24.9K	-54	-53	-39	-49	-31	-19	-55	-36
\$25K To \$39.9K	-40	-44	-27	-41	-8	1	-49	-23
\$40K To \$49.9K	-10	-15	-19	-20	10	12	-30	-9
Over \$50K	7	3	1	10	33	33	-15	8
Region:								
Northeast	-32	-36	-15	-21	-2	2	-36	-18
Midwest	-31	-34	-26	-22	1	4	-34	-14
South	-22	-23	-24	-25	-1	4	-29	-16
West	-18	-18	-15	-13	7	9	-25	-9
Race:								
White	-21	-22	-20	-19	6	6	-23	-11
Black	-49	-53	-29	-41	-33	-18	-60	-37
Politics:								
Republican	-1	1	9	10	30	34	-3	11
Democrat	-45	-45	-40	-35	-15	-14	-46	-29
Independent	-22	-30	-24	-37	-4	-4	-38	-19
Education:								
< High School	-38	-50	-32	-50	-20	-12	-59	-37
High Sch. Grad.	-32	-30	-29	-29	-7	-4	-40	-20
College +	-15	-17	-11	-5	13	13	-18	-3

Home:								
Own	-21	-22	-14	-15	8	9	-24	-10
Rent	-36	-37	-35	-35	-20	-9	-40	-25
Marital Status:								
Single	-21	-25	-21	-13	-12	10	-25	-10
Married	-20	-20	-16	-17	11	11	-27	-11
Sep/Wid/Div	-45	-52	-39	-42	-25	-14	-52	-30
Employ. Status:								
Full-Time	-16	-17	-10	-12	9	12	-20	-6
Part-Time	-40	-37	-19	-20	9	14	-40	-14
Not Employed	-32	-37	-35	-35	-14	-13	-40	-26

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