

## **ABC NEWS CONSUMER INDEX – 6/14/09**

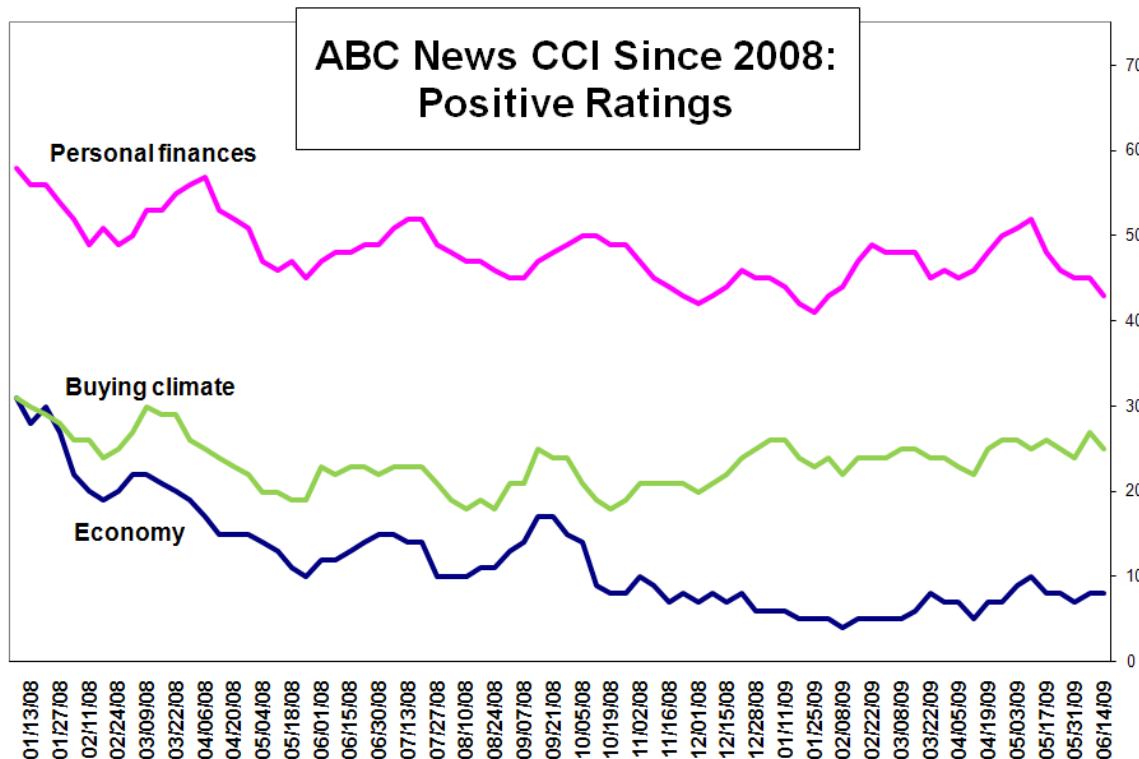
**EMBARGOED FOR RELEASE AFTER 5 p.m. Tuesday, June 16, 2009**

# **Confidence Still in the Ditch**

Consumer confidence wallowed in deep negative territory this week, with ratings of personal finances edging near their all-time low. And economic pessimists again slightly outnumber optimists, after the two reached parity last month for the first time in years.

The ABC News Consumer Comfort Index, based on ratings of current conditions, stands at -49 on its scale of +100 to -100, just 5 points from its record low in late January. It's down 7 points from its 2009 high five weeks ago, with ratings of personal finances the culprit: Amid steeply rising gasoline prices they've slipped 9 points in that time, while ratings of the national economy and the buying climate have been steady, albeit very low.

Separate from views of current conditions, 31 percent say the economy's getting better, about the same as last month's five-year high and 12 points higher than the 28-year average. But 38 percent say it's still getting worse, slightly up from last month's 33 percent.



A separate ABC News poll this week, supporting the network's coverage of the "New Normal" in economic conditions, found broad concerns about the job market, spending

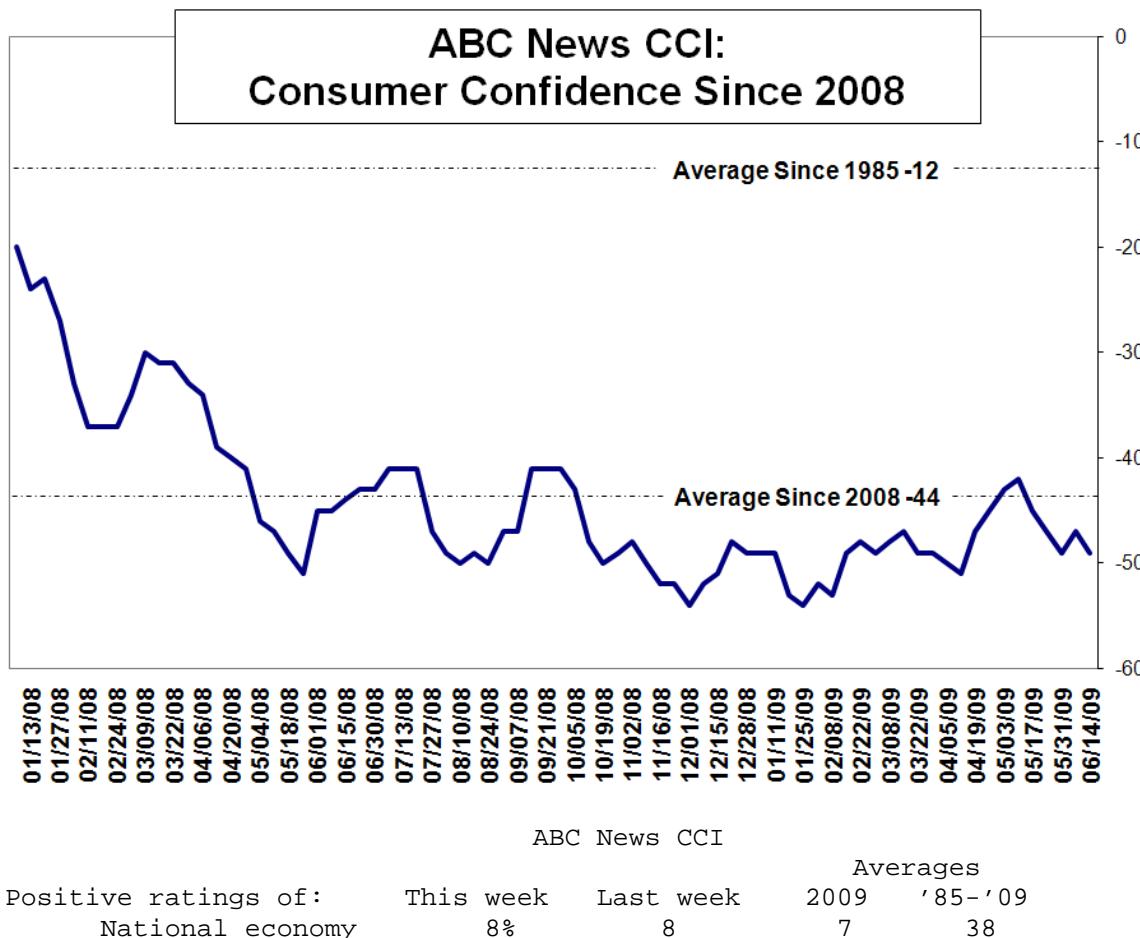
power and the ability to save for retirement in the years ahead, with majorities saying they plan to spend less, save more and hold down their debt.

Current economic news can't help much, with rising gas prices (up 62 cents since the beginning of May), slumping retail sales over the past year and unemployment at the highest since 1983. Last week's Federal Reserve "Beige Book" report, which noted sluggish sales and weak real estate and labor markets, echoed consumer concerns.

**INDEX** – As noted, ratings of personal finances, typically the best of the CCI's three measures, have slipped to 43 percent positive, down 9 points since from their recent high, 52 percent May 10. That's the steepest such decline since May 2008, bringing this measure to just 2 points from its record low in January and 14 points below average.

Ratings of the buying climate, at 25 percent positive, have hovered within a 3-point range since mid-April. The current measure matches the average for the year and is 12 points below the long-term average.

Only 8 percent rate the economy positively, steady in four of the past five weeks. It's been in single digits for 34 of the last 36 weeks and stands 30 points below its long-term average.

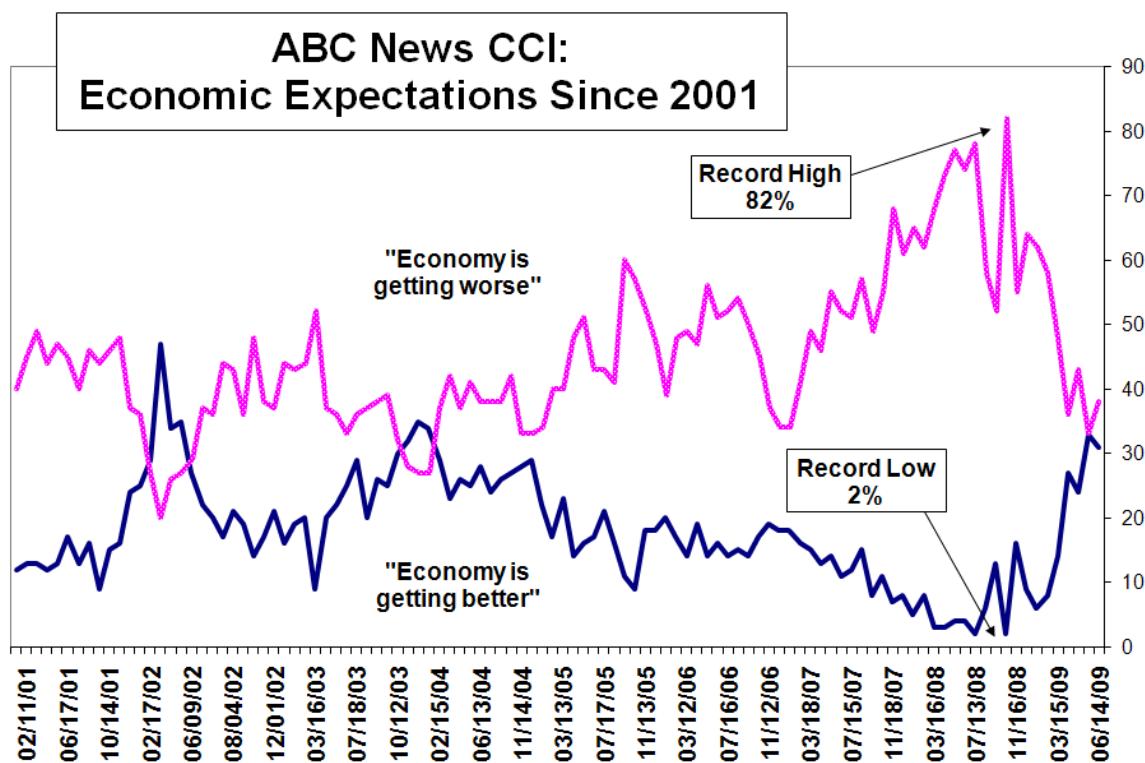


Buying climate	25	27	25	37
Personal finances	43	45	46	57
Consumer Comfort Index	-49	-47	-49	-12

BETTER/WORSE – In a separate, forward-looking measure, 31 percent say the economy's getting better, similar to its level in the middle of last month (and to a March 29 ABC/Post poll). That's well above the long-term average, 19 percent in polls since March 1981, and 29 points above the record low, 2 percent, last October.

Thirty-eight percent say the economy's getting worse, about the same as the long-term average, 40 percent. Though up slightly from 33 percent last month, pessimism has been under a majority for the five consecutive months (a first in over two years) and is down 24 points on the year.

These expectations, though represent a political as well as an economic judgment; optimism has risen very sharply among Democrats under the Obama administration, but not at all among Republicans.



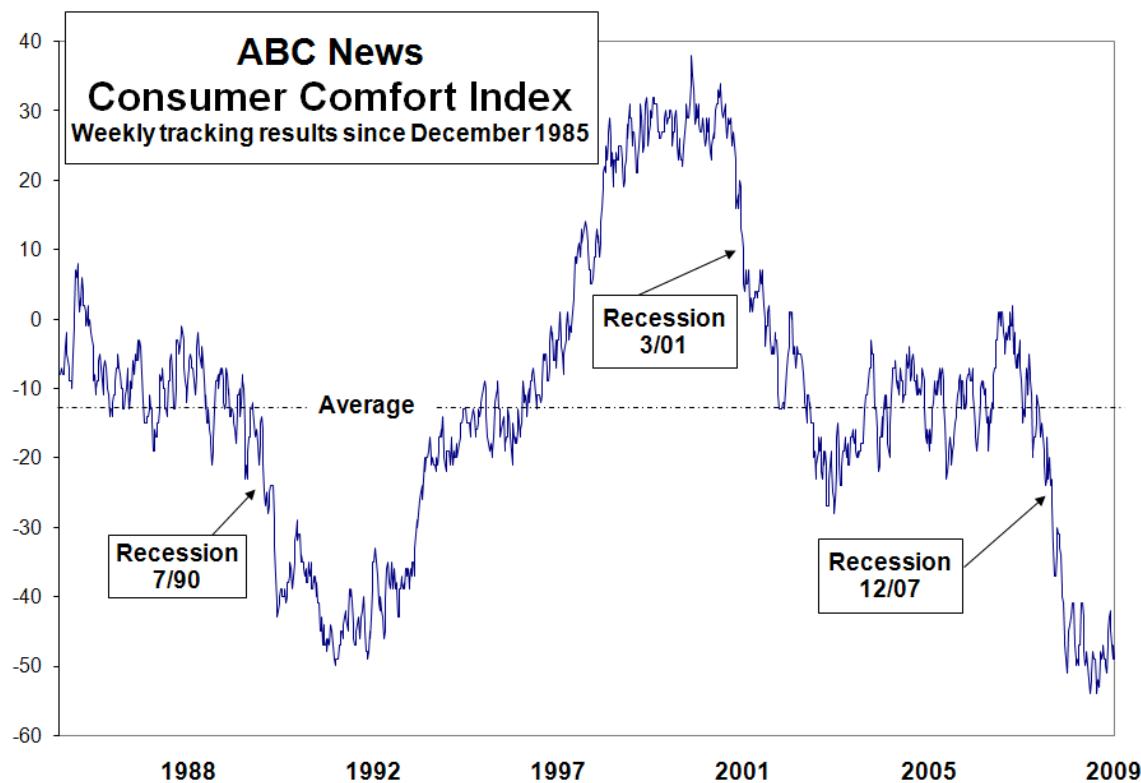
	Economy's direction		
	Better	Worse	Same
6/14/09	31%	38	29
5/17/09	33	33	33
4/11/09	24	43	32
3/29/09	27	36	36
3/15/09	14	48	36
2/15/09	8	58	31

1/19/09	6	62	31
12/15/08	9	64	25
11/16/08	16	55	28

TREND – The index, between -47 and -49 the past month, has been trapped in a 7-point range since hitting the year's best, -42 on May 10. While near its record low in 23 years of weekly measurements, the index has managed to stay above -50 for nine weeks straight, its best such run since last summer.

Still, the index's 2009 average so far, -49, is 37 points below its long-term average and 7 points below its 2008 average – itself the second worst on record, after 1992's -44.

The CCI has been below -40 for a record 60 weeks and hasn't seen positive territory for over two years. It's miles below its record high, +38 in January 2000.



	ABC News CCI
This week	-49
Last week	-47
2009 high	-42
2009 low	-54
2009 average	-49
2000 average	+29
1992 average	-44
Jan. 16, 2000	+38
Average since 12/85	-12

**GROUPS** – The index is higher as usual among better-off Americans, but still negative across the board for the 16<sup>th</sup> straight week, and for all but two weeks this year.

It's -19 among those with the highest incomes (the worst since April) but -74 among those with the lowest, -39 among those who've attended college (also the worst since April) vs. -67 among high school dropouts, -46 among men (3 points from the low) while -51 among women (the 5-point gender gap is smaller than the average, 17 points), -44 among homeowners compared with -60 among renters and -50 among whites (matching the low) vs. -51 among blacks (far different from the usual 28-point racial gap).

There are partisan differences, with the index at -40 among Republicans (2 points from the low) vs. -52 among Democrats and -51 among independents. But that 12-point Republican-Democratic gap is far smaller than last year's average difference, 41 points, and the long-term difference in data since 1990, 32 points. That's mainly because Republicans are much gloomier than their norm.

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

**NATIONAL ECONOMY** – Eight 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.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	8	1	7	92	44	48
Avg. since 12/85	38	3	35	62	40	22

**PERSONAL FINANCES** – Forty-three percent say their own finances are excellent or good; it was 45 percent last week. 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	43	5	38	57	40	17
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; it was 27 percent 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	37	3	35	63	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

June 14, 2009. The results have a 3-point error margin. The expectations question was asked of 500 respondents June 3-14, 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 Patrick Moynihan.

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

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

	This Week	Last Week	4 Wks Ago	3 Mo Ago	1 Yr Ago	12 Mo High	12 Mo Low	12 Mo Avg
<hr/>								
<b>Group</b>								
<hr/>								
GENERAL POPULATION:								
Overall Index	-49	-47	-45	-47	-44	-41	-54	-48
State of Economy	-84	-84	-84	-88	-74	-66	-92	-82
Personal Finances	-14	-10	-4	-4	-4	4	-18	-6
Buying Climate	-50	-46	-48	-50	-54	-46	-64	-54
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-46	-45	-33	-41	-44	-28	-49	-42
Women	-51	-49	-57	-51	-42	-39	-59	-52
Age:								
18 - 34	-49	-46	-35	-40	-41	-32	-60	-46
35 - 44	-51	-48	-51	-48	-39	-27	-62	-46
45 - 54	-39	-36	-51	-46	-46	-31	-61	-48
55 - 64	-56	-62	-56	-52	-58	-40	-65	-51
65+	-49	-46	-42	-51	-36	-31	-56	-46
Income:								
Under \$15K	-74	-72	-77	-66	-73	-51	-84	-73
\$15K To \$24.9K	-65	-68	-51	-74	-83	-41	-83	-67
\$25K To \$39.9K	-58	-55	-56	-61	-66	-47	-71	-60
\$40K To \$49.9K	-45	-51	-68	-46	-16	-16	-68	-49
Over \$50K	-33	-29	-24	-31	-29	-17	-41	-28
\$50K To \$74.9K	-38	-39	-30	-43	-46	-24	-54	-40
\$75K To \$99.9K	-42	-32	-28	-31	-19	-14	-52	-31
Over \$100K	-19	-16	-14	-14	-15	5	-34	-13
Region:								
Northeast	-47	-49	-58	-56	-54	-42	-62	-52
Midwest	-53	-48	-47	-46	-40	-31	-58	-47
South	-46	-46	-46	-44	-40	-39	-59	-48
West	-49	-46	-33	-43	-41	-19	-56	-41
Race:								
White	-50	-48	-41	-45	-40	-35	-50	-45
Black	-51	-48	-60	-61	-63	-46	-81	-62

Politics:								
Republican	-40	-39	-32	-32	-13	-10	-42	-28
Democrat	-52	-49	-54	-58	-63	-43	-70	-59
Independent	-51	-49	-42	-43	-41	-39	-55	-48
Education:								
< High School	-67	-63	-55	-51	-58	-51	-77	-64
High Sch. Grad.	-58	-62	-57	-46	-47	-38	-65	-52
College +	-39	-35	-37	-45	-36	-30	-50	-40
Home:								
Own	-44	-44	-43	-43	-36	-35	-49	-42
Rent	-60	-54	-51	-56	-60	-48	-80	-61
Marital Status:								
Single	-49	-48	-49	-34	-42	-34	-69	-51
Married	-44	-42	-35	-45	-37	-26	-46	-39
Sep/Wid/Div	-58	-57	-64	-68	-62	-52	-70	-63
Employ. Status:								
Full-Time	-42	-40	-34	-39	-39	-29	-47	-39
Part-Time	-44	-43	-40	-38	-30	-30	-66	-48
Not Employed	-56	-55	-59	-57	-51	-47	-66	-57

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
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
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

\*ABC News/Washington Post poll  
Call for full trend.

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