

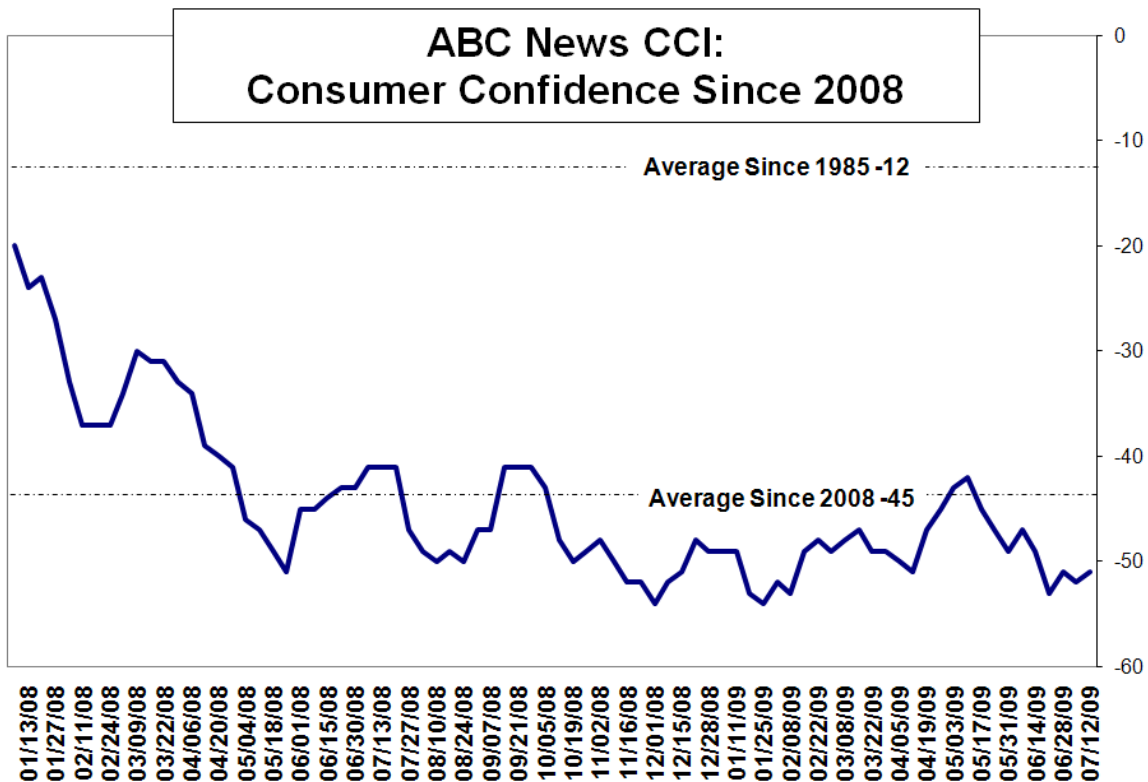
## Optimism Wanes, Confidence Flat

Consumer confidence is flat-lining at an historically low level – with expectations of recovery softening.

The ABC News Consumer Comfort Index, based on public views of current economic conditions, stands at -51 on its scale of +100 to -100, 3 points from its record low Jan. 25. It's been below -50 for four weeks straight, a week from the record stretch late last year.

And in a separate, forward-looking measurement, Americans are less optimistic about the future: Just 25 percent think the economy is getting better, down from 31 percent in June and 33 percent in May, its highest in five years.

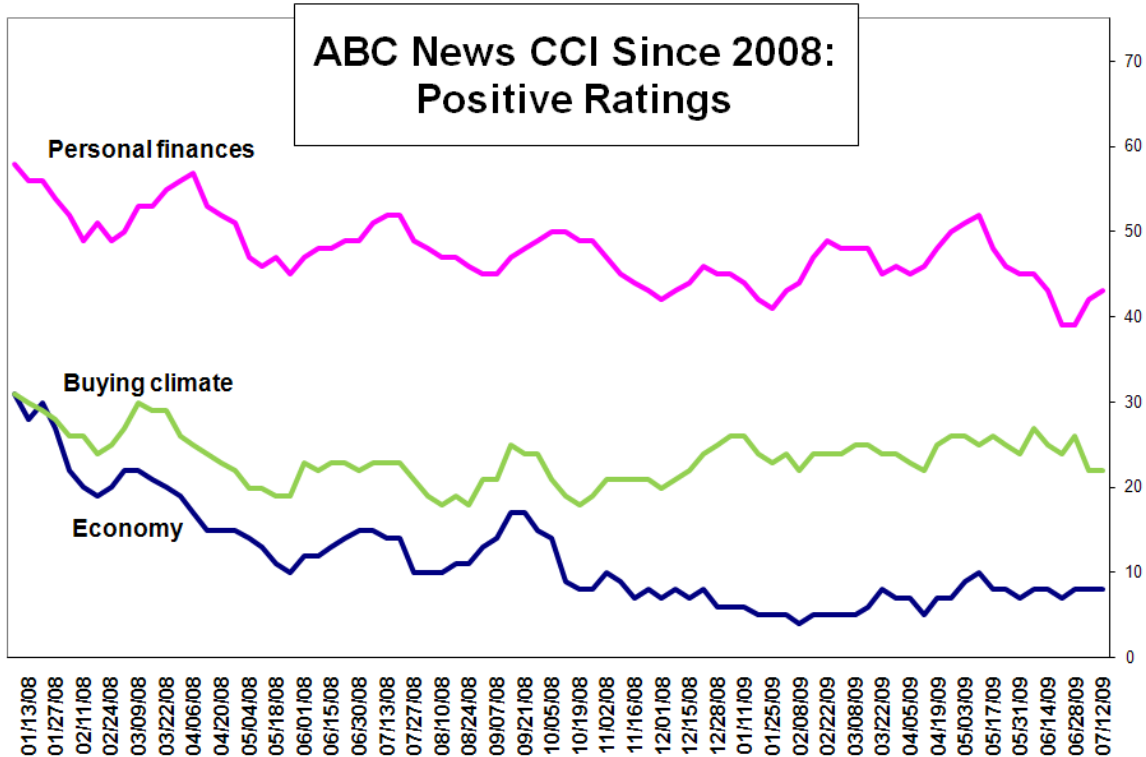
Thirty-nine percent instead think the economy is getting worse.



There is ample cause for concern, with unemployment at 9.5 percent – its highest since 1983 – consumer prices vaulting by an unexpected 1.8 percent in June and the budget deficit soaring past the \$1 trillion mark for the first time. On the brighter side, retail sales have risen for two months running and gas prices dropped 8 cents the past week.

INDEX – Well under half of Americans, 43 percent, rate their personal finances positively, compared with an average of 57 percent in weekly polls since late 1985. This gauge is up a bit from its record low, 39 percent, late last month, but has weakened from a 2009 high of 52 percent in early May.

Far fewer, 22 percent, say it’s a good time to buy things, matching the 2009 low and 15 points below the long-term average. And only 8 percent rate the national economy positively, unchanged in three weeks, in single digits for 38 of the last 40 weeks and a whopping 30 points below average.

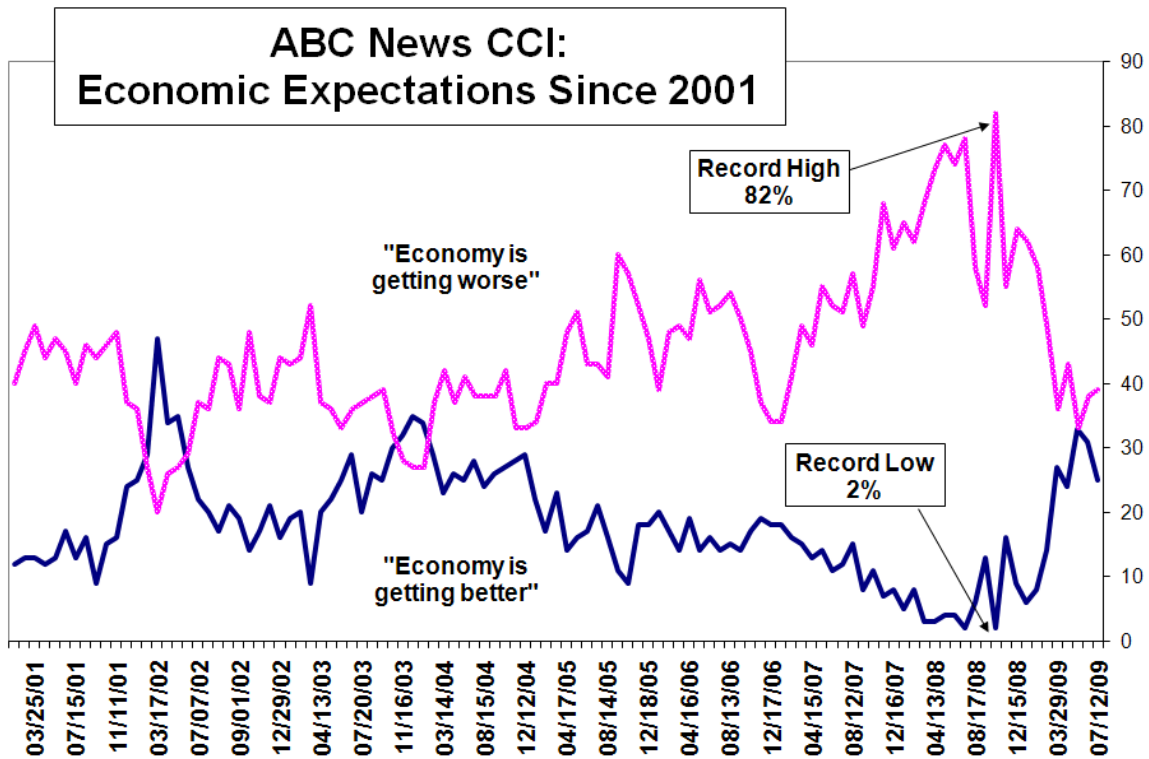


Positive ratings of:	ABC News CCI		Averages	
	This week	Last week	2009	'85-'09
National economy	8%	8	7	38
Buying climate	22	22	24	37
Personal finances	43	42	45	57
Consumer Comfort Index	-51	-52	-49	-12

BETTER/WORSE – Economic expectations are measured separately from the CCI; while, as noted, optimism has waned, it’s running ahead of its long-term average, 19 percent across 28 years of polls. And it’s 23 points higher than the record low, 2 percent as the economy tanked last October.

The number who say the economy is getting worse is almost exactly the long-term average. While up 6 points from May, it's below a majority for the sixth straight month, a first since early 2007.

These expectations retain a decidedly partisan flavor. Optimism among Democrats has spiked since President Obama's inauguration in January; today, 45 percent of Democrats say the economy's improving, the highest in 11 years of available data, back to 1998, and up from just 7 percent at the start of the year. But only 10 percent of Republicans and 15 percent of independents anticipate economic improvement – sharply down among independents from a recent peak of 33 percent in May.



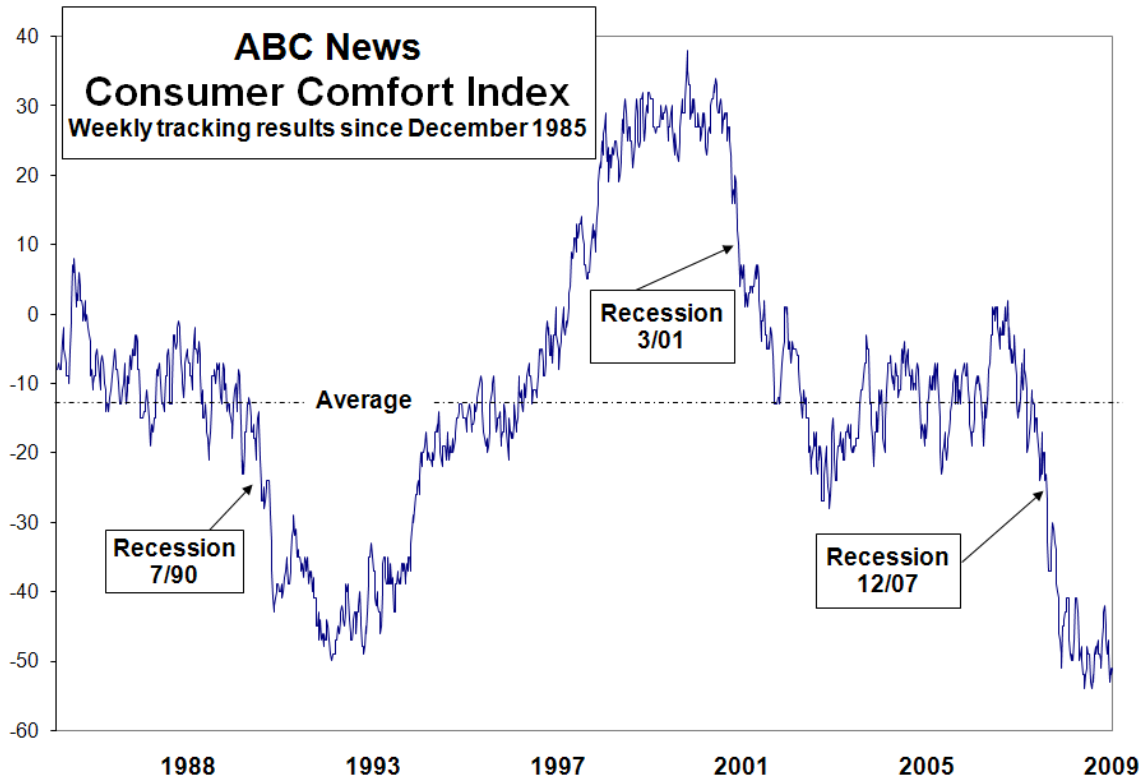
	Economy's direction		
	Better	Worse	Same
7/12/09	25%	39	35
6/14/09	31	38	29
5/17/09	33	33	33
4/11/09	24	43	32
3/29/09	27	36	36
3/15/09	14	48	36
2/15/09	8	58	31
1/19/09	6	62	31
12/15/08	9	64	25

TREND – The weekly index has fallen below -50 14 times since last November, a level see only once previously in 23 years of weekly polls, in May 2008. April and May

showed some signs of life, the CCI advancing to a (still grim) -42 on May 10. But since then it's fallen back.

Averaging -49 for 2009, the CCI is on pace for its worst year ever. It's 37 points below its long-term average of -12; 7 points below last year's average of -42; and 5 points below its average of -44 in 1992, the worst full year to date. It will take significant improvement in the second half of this year to avoid setting a new annual low.

The CCI has been below -40 for a record 64 straight weeks and hasn't seen positive territory since March 2007. It's miles below its record high, +38 in January 2000.



	ABC News CCI	
This week	-51	
Last week	-52	
2009 high	-42	May 10
2009 low	-54	Jan. 25, record low
2009 average	-49	
2000 average	+29	Best full year
1992 average	-44	Worst full year
Jan. 16, 2000	+38	Record high
Average since 12/85	-12	

GROUPS – The index is higher as usual among better-off Americans, but negative across the board for the 20<sup>th</sup> straight week, and all but two weeks this year.

It's -22 among those with the highest incomes but -63 among those with the lowest (the best since December), -40 among those who've attended college vs. -64 among high school dropouts, -40 among men while -60 among women (matching the low), and -45 among homeowners compared with -64 among renters

Most unusual is the racial gap this week, with an index of -47 among blacks (its best since April) and -50 among whites. Only three times before, most recently in January 2001, has the CCI been numerically higher among blacks than whites in available data since 1990. Indeed, at 11 points, the average racial difference has been narrower than usual this year; the long-term average gap is 28 points.

Partisan differences remain, with the index at -34 among Republicans vs. -55 among Democrats and -56 among independents (the worst since 1990). The 21-point partisan gap is 20 points narrower than last year's average; the long-term difference in data since 1990 is 32 points.

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, 2009.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	8	1	7	92	43	49
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 42 percent last week. The best was 70 percent, last reached in January 2000. The worst was 39 percent reached two weeks ago.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	43	3	40	57	37	20
Avg. since 12/85	57	5	52	43	30	13

**BUYING CLIMATE** – Twenty-two 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 last reached Oct. 19, 2008.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	22	3	19	78	45	33
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 July

12, 2009. The results have a 3-point error margin. The expectations question was asked of 500 respondents July 1-12, 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 Giovanni Russonello.

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

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

07/12/09	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								
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GENERAL POPULATION:								
Overall Index	-51	-52	-49	-51	-41	-41	-54	-48
State of Economy	-84	-84	-84	-90	-72	-66	-92	-83
Personal Finances	-14	-16	-14	-8	4	4	-22	-8
Buying Climate	-56	-56	-50	-56	-54	-46	-64	-54
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-40	-42	-46	-47	-37	-28	-49	-42
Women	-60	-60	-51	-53	-44	-44	-60	-53
Age:								
18 - 34	-51	-51	-49	-44	-41	-32	-61	-47
35 - 44	-50	-52	-51	-62	-28	-27	-62	-48
45 - 54	-50	-50	-39	-46	-48	-31	-61	-48
55 - 64	-54	-58	-56	-55	-48	-40	-65	-51
65+	-48	-51	-49	-50	-40	-34	-56	-47
Income:								
Under \$15K	-63	-67	-74	-72	-74	-51	-84	-73
\$15K To \$24.9K	-74	-75	-65	-67	-44	-41	-83	-68
\$25K To \$39.9K	-69	-71	-58	-67	-54	-47	-73	-60
\$40K To \$49.9K	-41	-35	-45	-55	-49	-27	-68	-50
Over \$50K	-30	-33	-33	-30	-17	-17	-41	-29
\$50K To \$74.9K	-35	-38	-38	-46	-28	-24	-54	-39
\$75K To \$99.9K	-32	-34	-42	-23	-17	-14	-52	-32
Over \$100K	-22	-27	-19	-21	-4	5	-34	-14
Region:								
Northeast	-47	-47	-47	-49	-52	-40	-62	-52
Midwest	-54	-56	-53	-47	-42	-31	-58	-48
South	-48	-49	-46	-51	-43	-39	-59	-49
West	-54	-55	-49	-54	-27	-19	-58	-43
Race:								
White	-50	-51	-50	-49	-38	-35	-52	-45
Black	-47	-51	-51	-61	-68	-46	-81	-62
Politics:								

Republican	-34	-38	-40	-40	-18	-10	-42	-30
Democrat	-55	-59	-52	-54	-55	-43	-70	-58
Independent	-56	-53	-51	-53	-39	-39	-56	-49
Education:								
< High School	-64	-64	-67	-73	-66	-51	-76	-64
High Sch. Grad.	-64	-64	-58	-61	-40	-38	-65	-54
College +	-40	-42	-39	-39	-34	-30	-50	-40
Home:								
Own	-45	-44	-44	-47	-37	-36	-49	-43
Rent	-64	-71	-60	-60	-54	-48	-80	-62
Marital Status:								
Single	-66	-64	-49	-56	-44	-34	-69	-53
Married	-39	-43	-44	-43	-31	-26	-47	-40
Sep/Wid/Div	-57	-58	-58	-65	-66	-52	-70	-62
Employ. Status:								
Full-Time	-38	-40	-42	-45	-32	-29	-47	-39
Part-Time	-67	-58	-44	-50	-40	-31	-67	-50
Not Employed	-60	-64	-56	-57	-52	-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
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
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	*

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

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