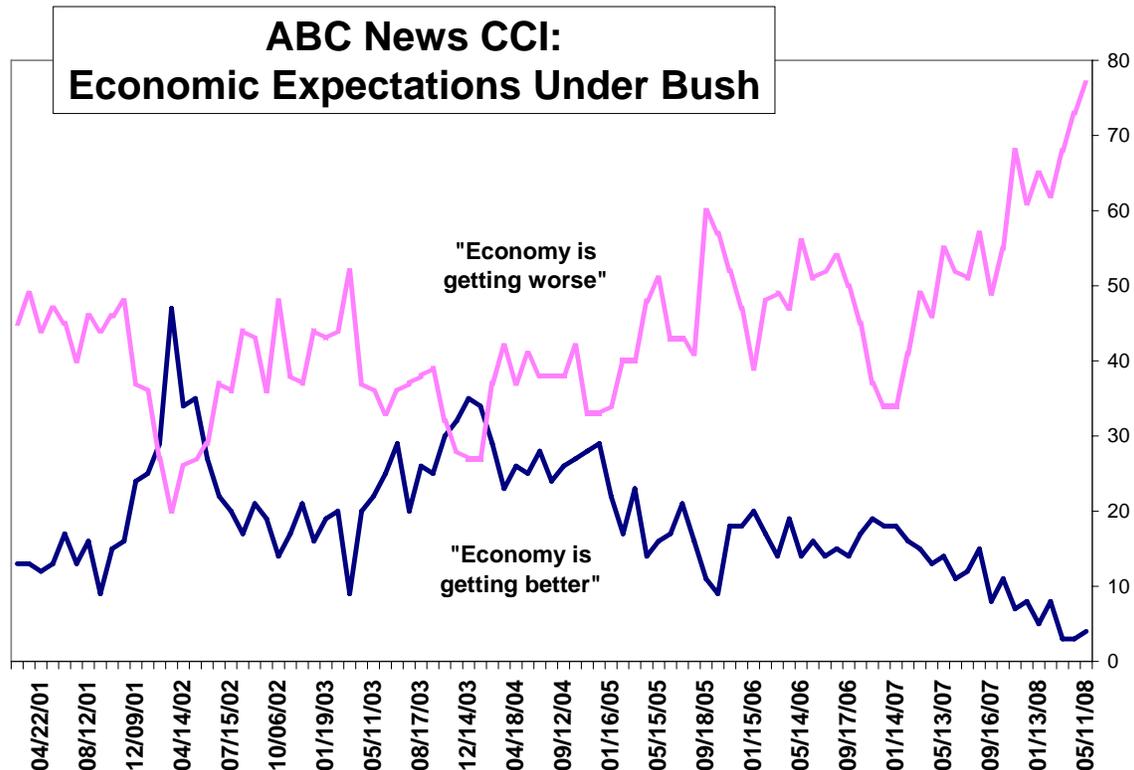


Economic Pessimism Ties its Highest on Record

Economic pessimism reached its highest in 27 years of surveys this week, with more than three-quarters of Americans now saying the national economy is getting worse. Ratings of current conditions, meanwhile, are their weakest since July 1993.

The ABC News Consumer Comfort Index stands at -47 on its scale of +100 to -100 just 3 points from its all-time low in 22 years of weekly polling, -50 in February 1992. Ratings of personal finances and the national economy are their worst in 14 years; views of the buying climate tied their worst on record for the second straight week.

In a separate, monthly measure, 77 percent say the economy is getting worse, matching its level in October and November 1990, in the midst of the 1990-91 recession. That's its highest in polling since 1981.

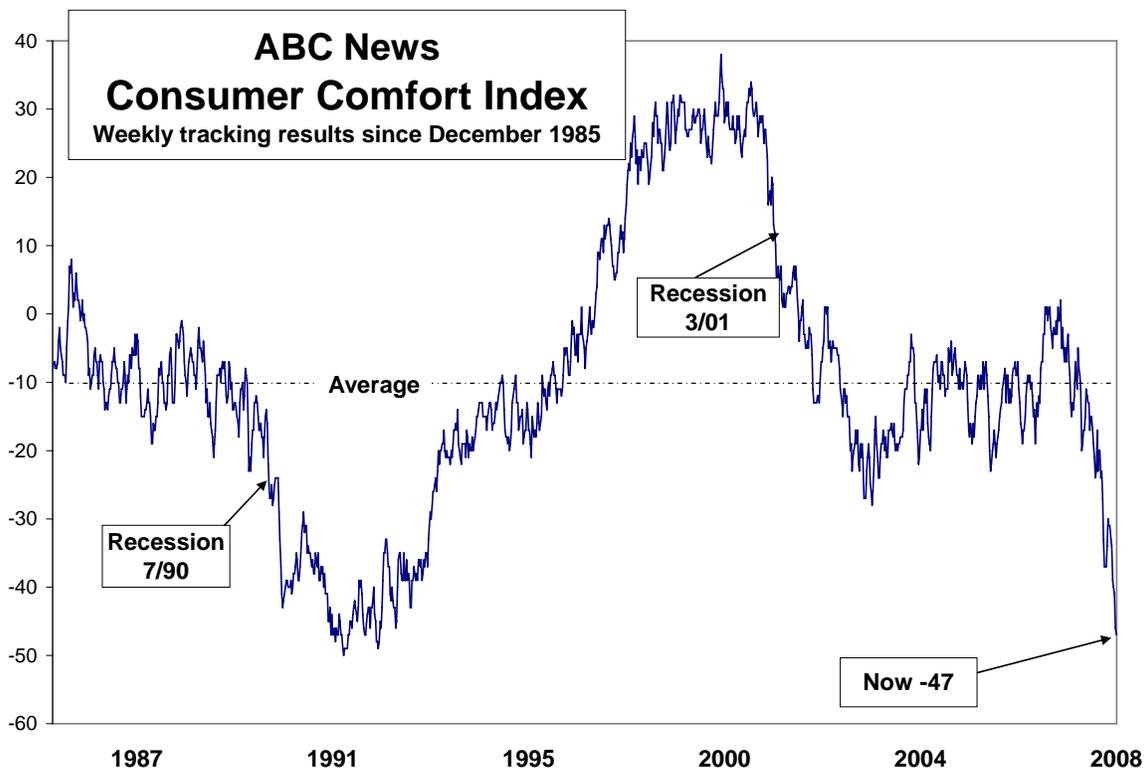


A scant 4 percent say the economy is improving, a point off the record low. It's been 3 or 4 percent the last three months straight, a record. Similarly, more than six in 10 have

said the economy is worsening for seven months straight, surpassing the previous record at that level, four months, in 1990.

The cause seems clear: On top of the credit and housing crises and generally weakening economic conditions, retail gasoline prices climbed 11 cents in the past week to another record, \$3.72 per gallon. The Energy Department increased its oil and gas price estimates for the year.

INDEX – The CCI is based on Americans’ ratings of their current finances, the national economy and the buying climate. Less than half, 46 percent, rate their personal finances positively, traditionally the index’s strongest component. That’s down 12 points on the year, 11 points off the long-term average and its worst since July 1993.



For the second straight week only 20 percent rate the buying climate positively, 18 points below the long-term average and tying the lowest mark in 22 years of surveys, previously reached in late 1990.

Fewer, 13 percent rate the national economy positively, the fewest since July 1993. Positive ratings of the national economy are down 18 points since the beginning of 2008 and 27 points below their long-term average.

ABC News CCI				
Positive ratings of:	This week	Last week	Averages	
			2008	'85-'08
National economy	13%	14	21	40
Buying climate	20	20	26	38
Personal finances	46	47	53	57
Consumer Comfort Index	-47	-46	-34	-10

TREND – The index has headed down all year, reaching new lows in nine of 19 weeks including each of the last five weeks; it’s sustained an unusual six statistically significant weekly drops, most recently a 5-point slide last week. At -47, the CCI is lower than its average of -34 for 2008, far below its long-term average of -10 and farther still from its high, +38 in January 2000.

ABC News CCI	
This week	-47
Last week	-46
2008 low	-47
2008 high	-20
2008 average	-34
2000 average	+29
1992 average	-44
Jan. 16, 2000	+38
Feb. 9, 1992	-50
Average since 12/85	-10

GROUPS – The CCI as usual is higher in better-off groups, though it’s negative across the board. It’s -4 among higher-income Americans while -73 among those with the lowest incomes, -36 among those who’ve been to college while -57 among high-school dropouts, -44 among whites but -70 among blacks and -40 among men while -53 among women.

Partisan differences remain: The index is -21 among Republicans, but -45 among independents and -65 among Democrats.

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

NATIONAL ECONOMY – Thirteen percent of Americans rate the economy as excellent or good; it was 14 percent last week. The highest was 80 percent on Jan. 16, 2000. The lowest was 7 percent in late 1991 and early 1992.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	13	1	12	87	44	43
Avg. since 12/85	40	4	36	60	40	20

PERSONAL FINANCES – Forty-six percent say their own finances are excellent or good; it was 47 percent last week. The best was 70 percent, last reached in January 2000. The worst was 42 percent on March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	46	5	41	54	37	17
Avg. since 12/85	57	5	52	43	30	13

BUYING CLIMATE – Twenty percent say it’s an excellent or good time to buy things; it was 20 percent last week. The best was 57 percent on Jan. 16, 2000; the worst, 20 percent this week, last week, and in fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	20	1	19	80	49	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 May 11, 2008. The results have a 3-point error margin. The expectations question was asked of 500 respondents May 4-11, 2008; 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 Scott F. Clement.

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

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

05/11/08	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	-46	-39	-37	-7	-5	-27	-15
State of Economy	-74	-72	-70	-60	-18	-12	-46	-30
Personal Finances	-8	-6	6	-2	28	28	6	15
Buying Climate	-60	-60	-52	-48	-30	-22	-44	-32

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-40	-39	-32	-30	8	8	-19	-8
Women	-53	-53	-44	-43	-20	-6	-35	-22
Age:								
18 - 34	-47	-42	-33	-34	-5	6	-32	-11
35 - 44	-56	-58	-36	-32	-6	3	-31	-15

45 - 54	-44	-42	-44	-39	-12	2	-29	-16
55 - 64	-45	-44	-34	-39	-5	-5	-36	-19
65+	-41	-46	-45	-43	-6	-2	-37	-21
Income:								
Under \$15K	-73	-74	-73	-59	-46	-31	-70	-54
\$15K To \$24.9K	-65	-64	-65	-47	-41	-27	-58	-43
\$25K To \$39.9K	-50	-52	-45	-62	-27	-15	-49	-28
\$40K To \$49.9K	-53	-57	-56	-35	-1	7	-47	-18
Over \$50K	-30	-29	-25	-18	14	26	-9	8
\$50K To \$74.9K	-57	-53	-39	-36	5	21	-28	-7
\$75K To \$99.9K	-32	-23	-29	-9	4	25	-19	5
Over \$100K	-4	-10	-5	-5	31	49	1	27
Region:								
Northeast	-54	-50	-46	-39	-24	-4	-38	-22
Midwest	-46	-48	-52	-36	2	2	-30	-19
South	-40	-38	-34	-36	-7	-1	-31	-16
West	-53	-53	-25	-36	-2	10	-21	-4
Race:								
White	-44	-43	-37	-35	-2	-2	-25	-12
Black	-70	-70	-57	-46	-43	-20	-54	-40
Politics:								
Republican	-21	-20	-10	-8	36	36	4	20
Democrat	-65	-64	-51	-50	-26	-15	-47	-32
Independent	-45	-42	-38	-41	-21	-8	-40	-23
Education:								
< High School	-57	-63	-45	-46	-25	-24	-57	-41
High Sch. Grad.	-58	-57	-49	-47	-17	-13	-38	-24
College +	-36	-34	-29	-25	6	13	-14	-1
Home:								
Own	-41	-40	-33	-32	-3	1	-23	-9
Rent	-61	-61	-53	-49	-18	-12	-44	-32
Marital Status:								
Single	-52	-49	-34	-36	-8	-6	-39	-18
Married	-37	-37	-31	-26	-1	4	-18	-5
Sep/Wid/Div	-64	-67	-62	-61	-23	-23	-56	-37
Employ. Status:								
Full-Time	-38	-37	-29	-34	1	10	-24	-7
Part-Time	-50	-44	-28	-29	-7	-4	-39	-16
Not Employed	-57	-58	-51	-42	-18	-7	-43	-23

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
5/11/08	4	77	18	1
4/13/08	3	73	22	1
3/16/08	3	68	28	2
2/17/08	8	62	29	1
1/13/08	5	65	29	1
12/16/07	8	61	28	3
11/18/07	7	68	25	1
10/14/07	11	55	30	4
9/16/07	8	49	41	1
8/12/07	15	57	26	2
7/15/07	12	51	36	0

6/17/07	11	52	35	2
5/13/07	14	55	29	2

Call for full trend.

END