

Confidence Back Down; Two Points from Record Low

On a day when the presidential campaigns debated whether Americans are worse off now than they were four or eight years ago, consumer sentiment gave one answer – coming within a hair of its record low in 22 years of weekly polls.

Indeed one component of the weekly ABC News Consumer Comfort Index – rating the buying climate – matched its low, with just 19 percent of Americans calling it a good time to purchase things they want and need.

Even fewer, 10 percent, say the national economy's in good shape, and fewer than half, 48 percent, say their personal finances are good. Put these together and the CCI stands at -49 on its scale of +100 to -100, down 8 points in the last two weeks.

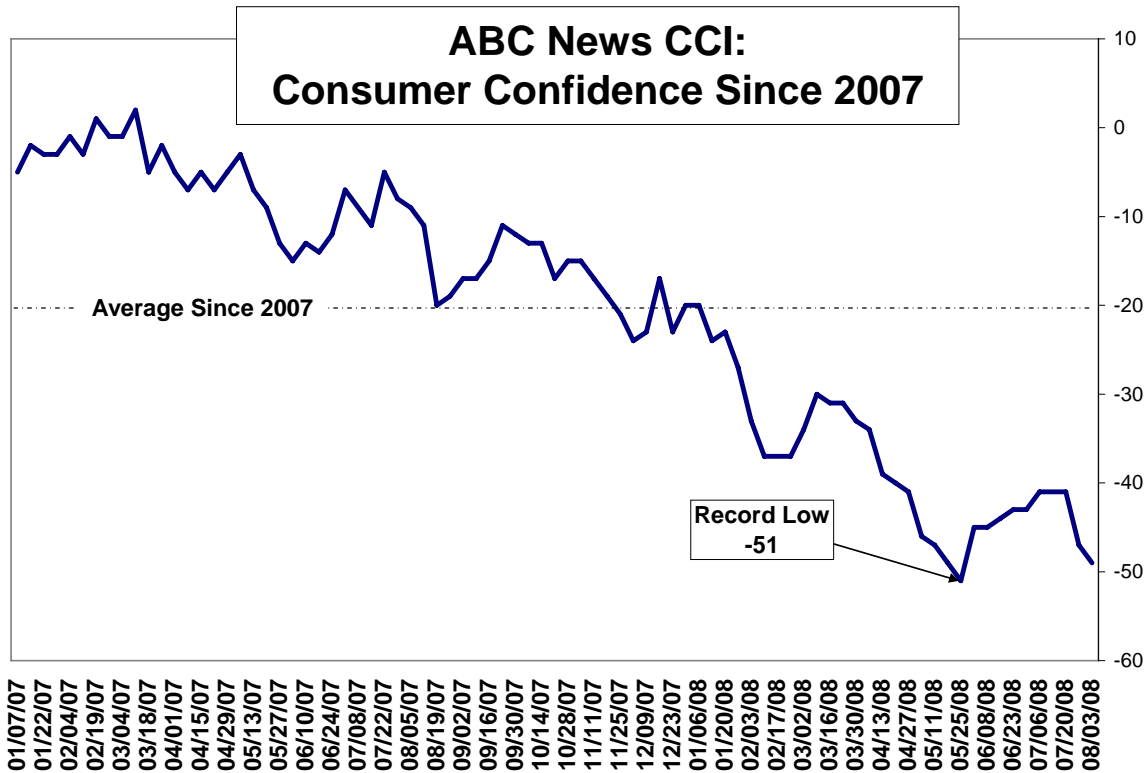
The index had gained 10 points after hitting a record low -51 on May 25, but then headed down again with an unusual 6-point fall last week. These compare with an average -10 in weekly polls since late 1985, and a high of +38 in January 2000.

A new television ad for John McCain says the country's worse off than it was four years ago; the Obama campaign responded by noting that McCain said in a debate in January that Americans were better off than eight years ago.

The CCI is dramatically worse, using either time period.

		% positive		
	CCI	National economy	Buying climate	Personal finances
Today	-49	10%	19	48
4 yrs ago	-6	41	41	59
8 yrs ago	+31	74	54	68

Even with easing gas prices, there's plenty of negative economic news to support the public's view. The unemployment rate has risen to its highest in more than five years, and July marked the seventh straight month of job losses, totaling almost half a million jobs this year. Tight credit and slumping home prices continue. Inflation is up.



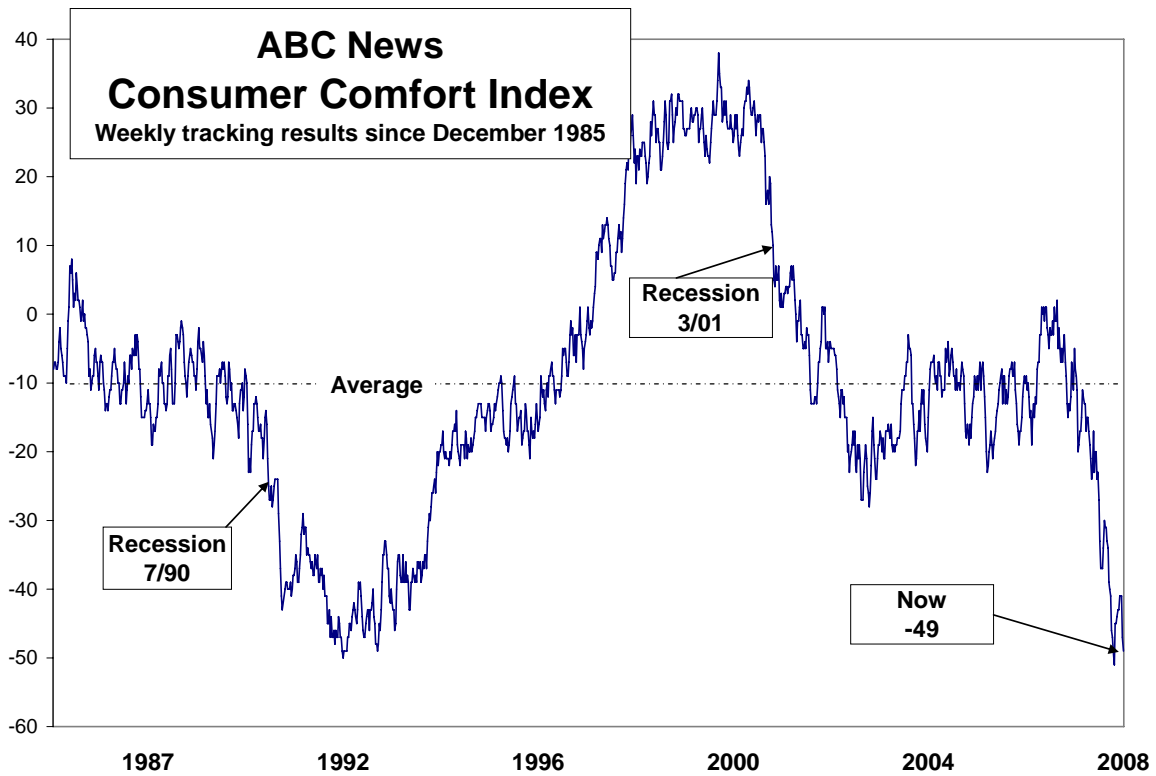
INDEX – This is the 17th straight week that fewer than a quarter of Americans have rated the buying climate positively, one week shy of its record stretch at that level, during the 1990-91 recession. As noted, only 19 percent now say it’s a good time to buy things, tying the record low in May.

Positive ratings of the buying climate are down 12 points this year, and exactly half their long-term average.

Positive views of the national economy didn’t budge from last week’s 10 percent, matching the 15-year low hit in late May. That’s 30 points below the long-term average and only 3 points from the all-time low of 7 percent in late 1991 and early 1992. It’s been at or below 15 percent for 17 straight weeks, the longest run since 1992.

Personal finances, traditionally the strongest of the three measures, are rated positively by 48 percent this week, down 10 points this year and 9 points below the long-term average. Apart from this year, the last time fewer than half of Americans rated their personal finances positively was late 1993.

Positive ratings of:	ABC News CCI			
	This week	Last week	2008	Averages '85-'08
National economy	10%	10	17	40
Buying climate	19	21	24	38
Personal finances	48	49	51	57
Consumer Comfort Index	-49	-47	-38	-10



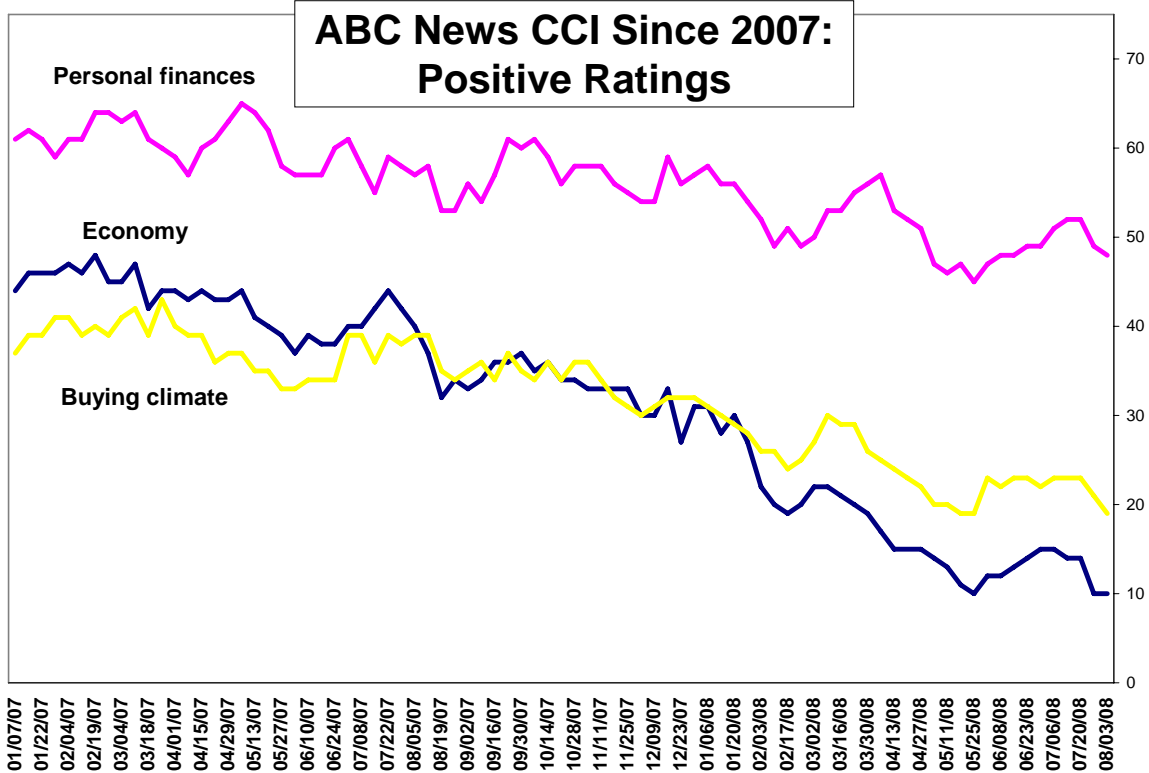
TREND – At -49, the CCI hasn't recovered from its 6-point loss last week, the worst drop since early February. Since late May's all-time low of -51, the CCI was beginning to turn around, leveling off at -41 for three weeks in July, but it's again gravely low. It's only been lower two times since 1985: In February 1992 (-50), and this May.

Averaging -38 this year, the CCI is on pace for the second worst year on record, surpassed only by -44 in 1992. In its best year, 2000, it averaged +29.

	ABC News CCI	
This week	-49	
Last week	-47	
2008 low	-51	May 25
2008 high	-20	Jan. 6
2008 average	-38	
2000 average	+29	Best full year
1992 average	-44	Worst full year
Jan. 16, 2000	+38	Record high
May 25, 2008	-51	Record low
Average since 12/85	-10	

GROUPS –The CCI's hit a record low -47 among men, surpassing -46 last May, and previously in December 1991. It's no better among women, -49; in usual times it's better among men than women.

The index remains higher in better-off groups, but is still negative across the board: -12 among those with the highest incomes vs. -83 among those with the lowest incomes; -37 among people who've been to college vs. -62 among high-school dropouts; and -44 among whites while -77 among blacks.



Partisan differences are strong: The index is -17 among Republicans, -51 among independents and -64 among Democrats.

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

NATIONAL ECONOMY – Ten percent of Americans rate the economy as excellent or good; the same as 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	10	1	9	90	45	45
Avg. since 12/85	40	3	36	60	40	21

PERSONAL FINANCES – Forty-eight percent say their own finances are excellent or good; it was 49 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	48	5	43	52	35	17

Avg. since 12/85 57 5 52 43 30 13

BUYING CLIMATE – A record-low 19 percent say it’s an excellent or good time to buy things; it was 21 percent last week. The best was 57 percent on Jan. 16, 2000.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	19	1	18	81	51	30
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 August 3, 2008. The results have a 3-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 Emily B. Guskin.

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

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

08/03/08	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	-49	-47	-41	-46	-9	-9	-51	-29
State of Economy	-80	-80	-70	-72	-20	-20	-80	-52
Personal Finances	-4	-2	2	-6	14	22	-10	7
Buying Climate	-62	-58	-54	-60	-22	-22	-62	-43

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-47	-45	-41	-39	-7	0	-47	-23
Women	-49	-47	-39	-53	-12	-11	-53	-35
Age:								
18 - 34	-52	-50	-35	-42	-8	-2	-52	-25
35 - 44	-45	-42	-27	-58	-14	3	-58	-27
45 - 54	-48	-42	-54	-42	-3	-1	-54	-30
55 - 64	-48	-43	-51	-44	-18	-7	-64	-33
65+	-45	-48	-39	-46	-8	-7	-53	-33
Income:								
Under \$15K	-83	-83	-68	-74	-45	-31	-87	-64
\$15K To \$24.9K	-79	-77	-52	-64	-36	-27	-83	-52

\$25K To \$39.9K	-61	-59	-52	-52	-20	-16	-67	-42
\$40K To \$49.9K	-29	-31	-40	-57	-29	1	-59	-31
Over \$50K	-26	-22	-22	-29	21	24	-34	-9
\$50K To \$74.9K	-34	-33	-40	-53	4	6	-57	-25
\$75K To \$99.9K	-34	-24	-22	-23	14	25	-35	-9
Over \$100K	-12	-9	-3	-10	49	49	-19	9
Region:								
Northeast	-48	-47	-52	-50	-11	-4	-61	-34
Midwest	-45	-43	-40	-48	-26	-11	-53	-31
South	-49	-48	-43	-38	-7	-2	-49	-29
West	-48	-44	-26	-53	5	5	-54	-22
Race:								
White	-44	-42	-38	-43	-6	-5	-47	-26
Black	-77	-71	-60	-70	-38	-20	-77	-50
Politics:								
Republican	-17	-16	-17	-20	23	34	-22	2
Democrat	-64	-61	-54	-64	-21	-15	-66	-45
Independent	-51	-49	-39	-42	-16	-16	-55	-34
Education:								
< High School	-62	-61	-70	-63	-37	-24	-77	-50
High Sch. Grad.	-60	-56	-39	-57	-15	-15	-61	-36
College +	-37	-36	-32	-34	4	9	-43	-17
Home:								
Own	-43	-42	-35	-40	-6	-3	-43	-23
Rent	-65	-60	-55	-61	-17	-17	-67	-44
Marital Status:								
Single	-62	-60	-38	-49	-16	-13	-62	-31
Married	-35	-30	-35	-37	3	3	-43	-19
Sep/Wid/Div	-62	-65	-65	-67	-32	-28	-67	-51
Employ. Status:								
Full-Time	-42	-39	-32	-37	-6	-3	-42	-21
Part-Time	-63	-61	-32	-44	-14	-4	-63	-28
Not Employed	-52	-50	-52	-58	-12	-12	-58	-39
END								