

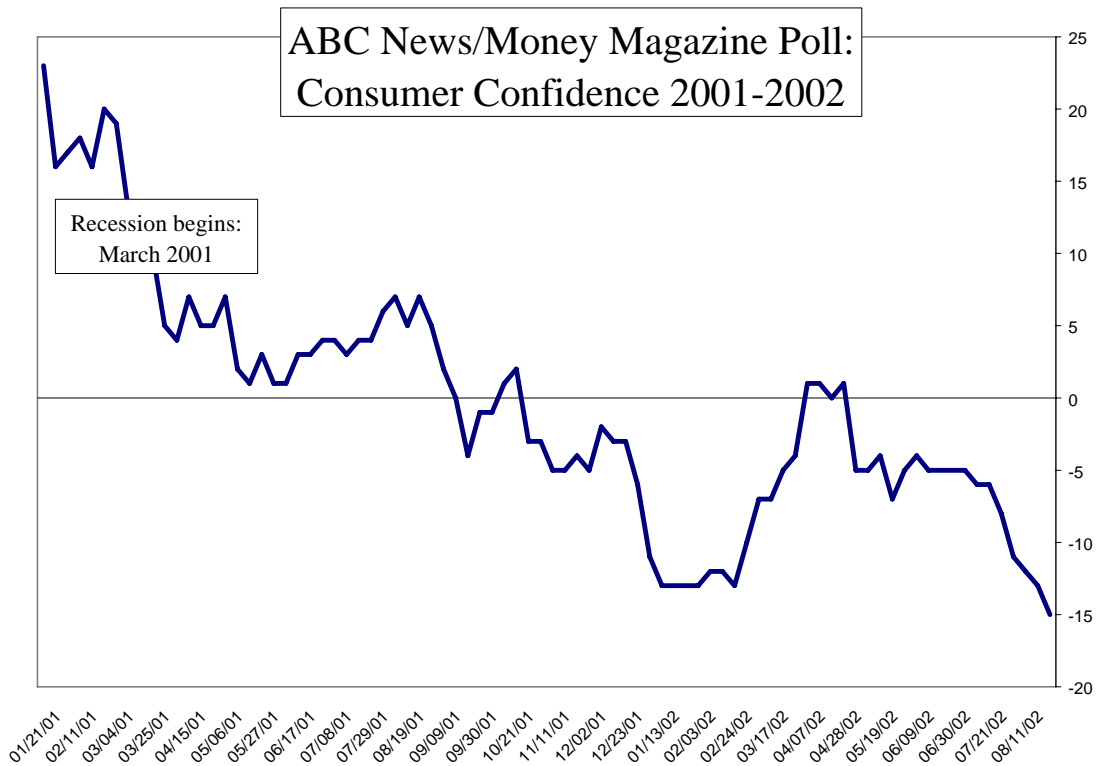
Confidence Continues Down: Now its Worst Since April 1996

In an unhappy coincidence with George W. Bush's economic forum, consumer confidence has slipped to its lowest level since April 1996.

Bush sought Tuesday to buck up confidence at a conference he convened in Waco, Texas. It can use it: The ABC News/Money magazine Consumer Comfort Index lost ground for the fifth week in a row, slipping under its lows early this year to its worst in more than six years.

The index, based on Americans' ratings of the economy, their personal finances and the buying climate, stands at -15 on its scale of +100 to -100, down nine points since July and 16 points below its high for the year in March and April.

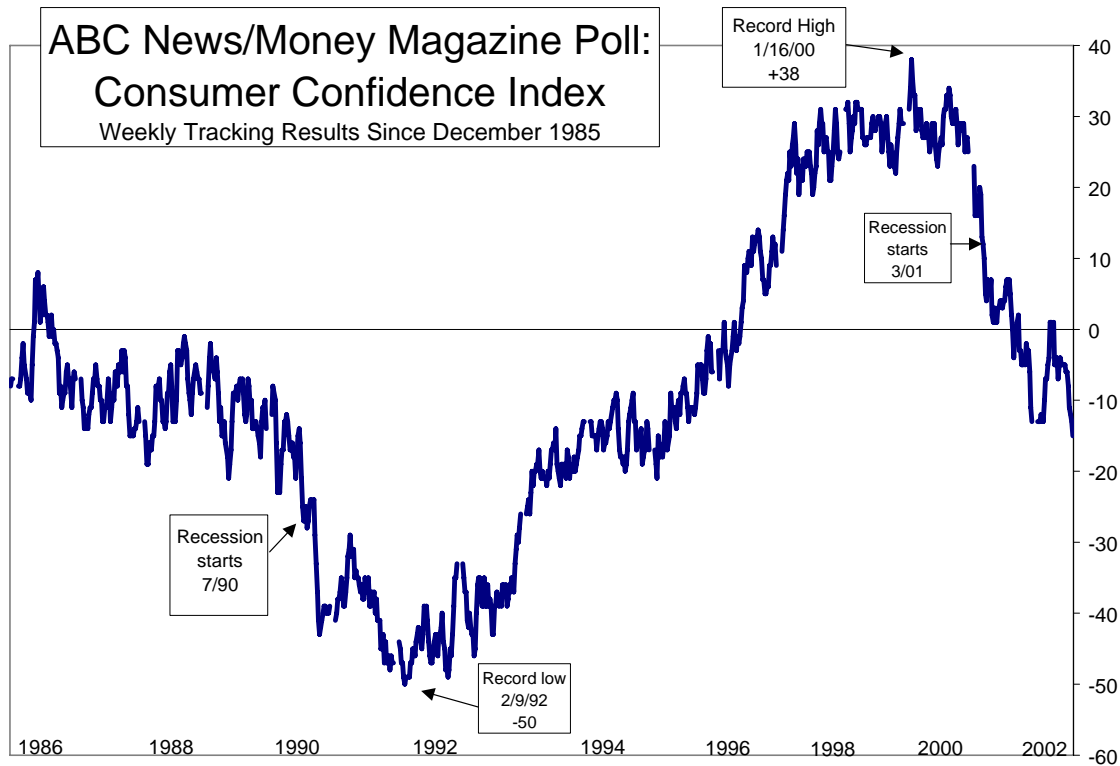
Just 32 percent of Americans rate the national economy positively, the fewest since Feb. 2 and down eight points in the last five weeks. Just 38 percent say now's a good time to buy things, down three points in the last five weeks. And 57 percent say their own finances are in good shape, down four points in the last month to its lowest since Jan. 13.



None of these gauges has reached a new low for the year. Rather, a gradual weakening of all three has pushed their combined level to its worst since April 7, 1996. That was just before confidence started to pick up steam, with the ABC/Money index rising sharply in the late 1990s to set a record +38 in January 2000. It lost ground gradually in 2000, then more steeply in 2001 as the recession began. A rally this spring proved short-lived, weakening amid corporate scandals, the declining stock market and disappointing economic reports.

The Federal Reserve Board left the federal funds rate unchanged Tuesday at 1 3/4 percent, but noted, "the risks are weighted mainly toward conditions that may generate economic weakness."

ABC News/Money magazine poll				
Positive ratings of:	This week	2002 High	2002 Low	16-yr. avg.
National economy	32%	45	31	41
Buying climate	38	45	38	39
Personal finances	57	63	56	57
Consumer Comfort Index	-15	+1	-15	-8



ABC/Money Index	
Today	-15
Last week	-13
Four weeks ago	- 8
2002 high	+ 1
2002 low	-15
2002 average	- 7
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	- 8	

GROUPS – As usual, confidence is higher among better-off Americans. The index is 0 among people in higher-income households compared to -42 in the lowest, -5 among college graduates while -31 among high-school dropouts, -12 among whites but -28 among blacks and -5 among men while -23 among women.

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

NATIONAL ECONOMY – Thirty-two percent of Americans rate the nation's economy as excellent or good, down one point from 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	32	1	31	68	48	20
Avg. since 12/85	41	4	38	59	39	19

PERSONAL FINANCES – Fifty-seven percent rate their own finances as excellent or good, down two points from last week. The best was 70 percent, set Aug. 30, 1998 and last matched in January 2000. The worst rating was 42 percent on March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	57	4	53	43	30	13
Avg. since 12/85	57	5	53	43	30	12

BUYING CLIMATE – Thirty-eight percent say it's an excellent or good time to buy things they want and need, unchanged from 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	38	3	35	62	43	19
Avg. since 12/85	39	3	36	61	41	21

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 1,017 interviews in the month ending August 11, 2002 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 Dalia Sussman.

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

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

08/11/02	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	-15	-13	-8	-7	7	7	-15	-5
State of Economy	-36	-34	-26	-20	-2	-2	-38	-22
Personal Finances	14	18	22	16	32	32	12	21
Buying Climate	-24	-24	-20	-18	-10	-4	-24	-15

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-5	-5	-2	-3	11	11	-6	2
Women	-23	-20	-13	-11	2	2	-23	-11
Age:								
18 - 34	-12	-12	-4	1	15	15	-12	1
35 - 44	-22	-9	-1	-7	1	9	-22	-6
45 - 54	-7	-11	-8	-8	3	6	-22	-6
55 - 64	-8	-11	-6	-6	-3	20	-30	-6
65 +	-19	-16	-21	-23	9	9	-23	-14
Income:								
Under \$15K	-42	-45	-49	-47	-41	-23	-54	-42
\$15K To \$24.9K	-26	-23	-19	-37	-25	-14	-44	-26
\$25K To \$39.9K	-20	-11	-9	-16	6	11	-24	-10
\$40K To \$49.9K	-11	0	12	9	2	15	-14	3
Over \$50K	0	1	8	19	34	34	0	18
Region:								
Northeast	-21	-21	-8	-10	3	3	-21	-7
Midwest	-8	-11	-15	-2	13	13	-18	-5
South	-24	-22	-6	-9	5	7	-24	-4
West	0	9	-3	-7	5	9	-21	-5
Race:								
White	-12	-8	-3	-1	9	9	-12	-1
Black	-28	-37	-41	-48	-12	-8	-51	-34
Politics:								
Republican	5	5	12	18	34	34	5	18
Democrat	-32	-27	-20	-20	-2	-2	-32	-18
Independent	-13	-16	-11	-11	-2	1	-19	-8
Education:								
< High School	-31	-18	-25	-41	-35	-12	-49	-31
High Sch. Grad.	-20	-22	-16	-9	6	6	-22	-9
College +	-5	-4	3	5	19	19	-5	6
Home:								
Own	-14	-10	-5	0	11	11	-14	0
Rent	-13	-15	-14	-24	-6	-6	-28	-18
Marital Status:								
Single	-4	-7	-13	-7	11	11	-19	-4
Married	-13	-8	-1	-4	12	12	-13	0
Sep/Wid/Div	-27	-26	-25	-20	-16	-14	-42	-26
Employ. Status:								
Full-Time	-7	-8	-1	4	18	19	-8	4
Part-Time	-20	-9	-8	-9	-9	14	-20	-5
Not Employed	-23	-20	-19	-22	-5	-5	-28	-18

END