

## Confidence Steadies, Still Low

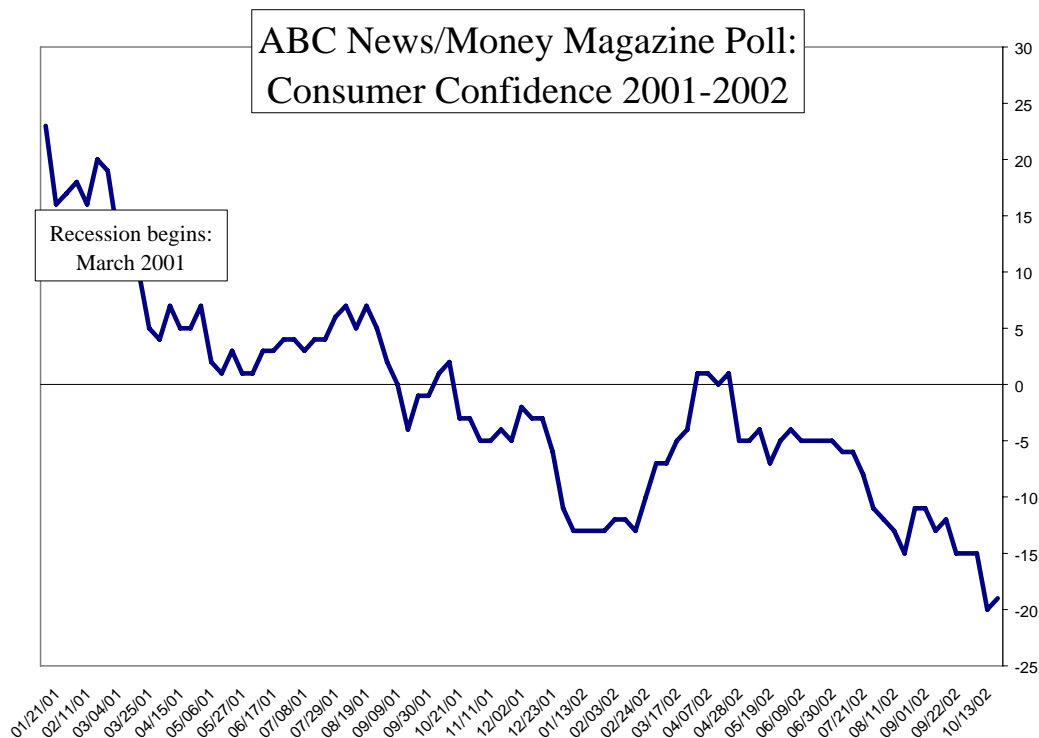
Consumer confidence stabilized this week after last week's sharp drop, landing a point away from its lowest of the year.

Ratings of personal finances and the buying climate remain at their 2002 lows, while positive views of the national economy gained a scant two points. The ABC News/Money magazine Consumer Comfort Index, based on these gauges, gained one point to -19 on its scale of +100 to -100, after losing five points last week.

Last week's index was its lowest since January 1996. And one component, views of the national economy, went even lower, to their worst since January 1994.

This week 29 percent rate the economy positively, up two points but 16 points below its 2002 high last March. It peaked at 80 percent in January 2000.

In the other gauges, 55 percent say their personal finances are in good shape, same as last week and its lowest since March 1997; and 38 percent call it a good time to buy things, holding steady at last week's 2002 low.



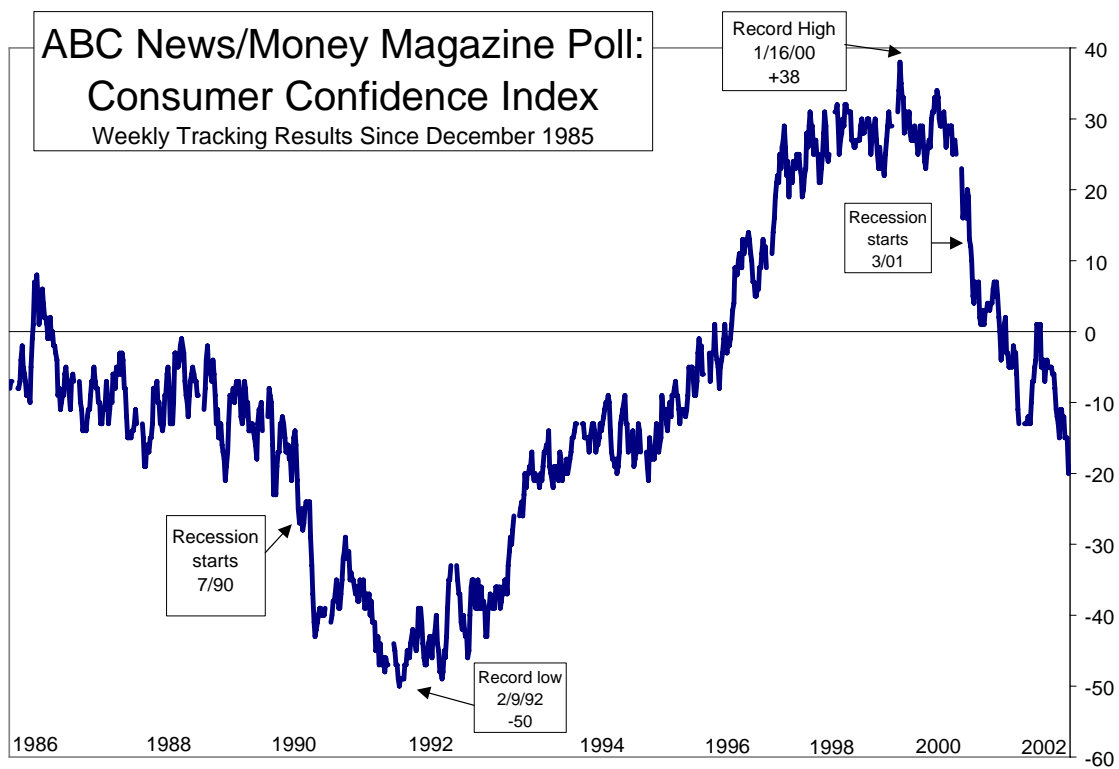
The ABC/Money index started the year at -13 and improved smartly to +1 in March and mid-April. But it slipped to -5 in late April and then held more or less steady until July, when it headed down in the face of corporate scandals, the declining stock market and disappointing economic reports. It reached a 2002 low of -15 in

early August and mid-September; then fell lower, to -20 last week, before holding at -19 this week.

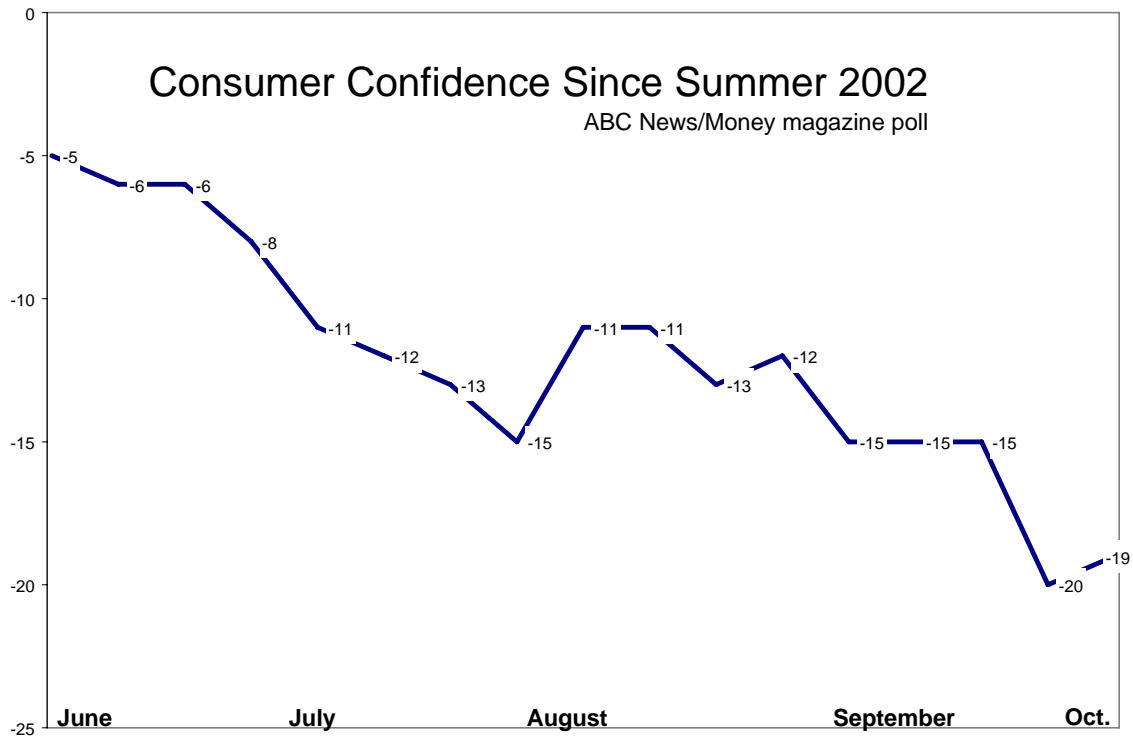
Data released Friday showed retail sales fell 1.2 percent in September, the biggest decline in 10 months.

While confidence has fallen dramatically from its peak in January 2000, it's also been much worse. After the 1990-91 recession just seven percent rated the economy positively. In 1990 as few as 20 percent called it a good time to buy. And positive ratings of personal finances bottomed out at 42 percent in March 1993.

The ABC/Money index peaked at +38 in January 2000 and cratered at -50 in February 1992. Its weekly average since December 1985 is - 8.



Positive ratings of:	ABC News/Money magazine poll			
	This week	2002 High	2002 Low	16-yr. avg.
National economy	29	45	27	41
Buying climate	38	45	38	39
Personal finances	55	63	55	57
Consumer Comfort Index	-19	+1	-20	-8



	ABC/Money Index	
Today	-19	
Last week	-20	
2002 high	+1	
2002 low	-20	
2002 average	-9	
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 -5 among people in higher-income households compared to -46 in the lowest, -12 among college graduates while -30 among high-school dropouts, -17 among whites but -27 among blacks and -13 among men while -23 among women.

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

**NATIONAL ECONOMY** – Twenty-nine percent of Americans rate the nation's economy as excellent or good; it was 27 percent 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	29	1	28	71	47	24
Avg. since 12/85	41	4	38	59	39	19

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

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	55	4	51	45	33	12
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, same as 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	2	36	62	41	21
Avg. since 12/85	39	3	36	61	41	20

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 1,011 interviews in the month ending Oct. 13, 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 Julie Crandall.

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

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10/13/02	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	-19	-20	-15	-8	-3	1	-20	-8
State of Economy	-42	-46	-40	-26	-22	-10	-46	-27
Personal Finances	10	10	16	22	24	26	10	19
Buying Climate	-24	-24	-22	-20	-12	-4	-24	-16
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-13	-16	-14	-2	6	9	-16	-1
Women	-23	-22	-16	-13	-11	-3	-23	-14

Age:								
18 - 34	-7	-9	-5	-4	2	10	-12	-1
35 - 44	-9	-10	-18	-1	-1	3	-28	-9
45 - 54	-32	-34	-24	-8	-6	6	-34	-9
55 - 64	-30	-25	-17	-6	3	20	-30	-8
65 +	-28	-27	-18	-21	-15	0	-28	-16
Income:								
Under \$15K	-46	-45	-49	-49	-36	-23	-54	-42
\$15K To \$24.9K	-36	-34	-32	-19	-21	-14	-44	-28
\$25K To \$39.9K	-25	-34	-27	-9	3	3	-34	-14
\$40K To \$49.9K	-15	-25	-18	12	-1	15	-25	-1
Over \$50K	-5	3	11	8	12	33	-5	15
Region:								
Northeast	-18	-17	-19	-8	-7	2	-24	-10
Midwest	-19	-17	-9	-15	-1	4	-19	-7
South	-25	-26	-16	-6	0	5	-26	-7
West	-9	-13	-14	-3	-8	9	-21	-7
Race:								
White	-17	-18	-9	-3	4	7	-18	-3
Black	-27	-28	-39	-41	-44	-8	-51	-34
Politics:								
Republican	6	5	7	12	16	34	5	15
Democrat	-33	-34	-31	-20	-20	-12	-34	-21
Independent	-24	-23	-15	-11	-3	-2	-24	-10
Education:								
< High School	-30	-41	-58	-25	-19	-12	-58	-32
High Sch. Grad.	-22	-20	-11	-16	-8	-3	-22	-11
College +	-12	-12	-5	3	4	13	-12	3
Home:								
Own	-17	-16	-10	-5	1	9	-17	-3
Rent	-22	-27	-29	-14	-16	-8	-29	-20
Marital Status:								
Single	-10	-11	-3	-13	2	10	-19	-6
Married	-16	-17	-15	-1	1	11	-17	-3
Sep/Wid/Div	-37	-38	-27	-25	-22	-14	-42	-27
Employ. Status:								
Full-Time	-16	-16	-9	-1	6	12	-16	1
Part-Time	-7	-15	-13	-8	-8	14	-21	-6
Not Employed	-25	-26	-24	-19	-14	-8	-28	-20

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