

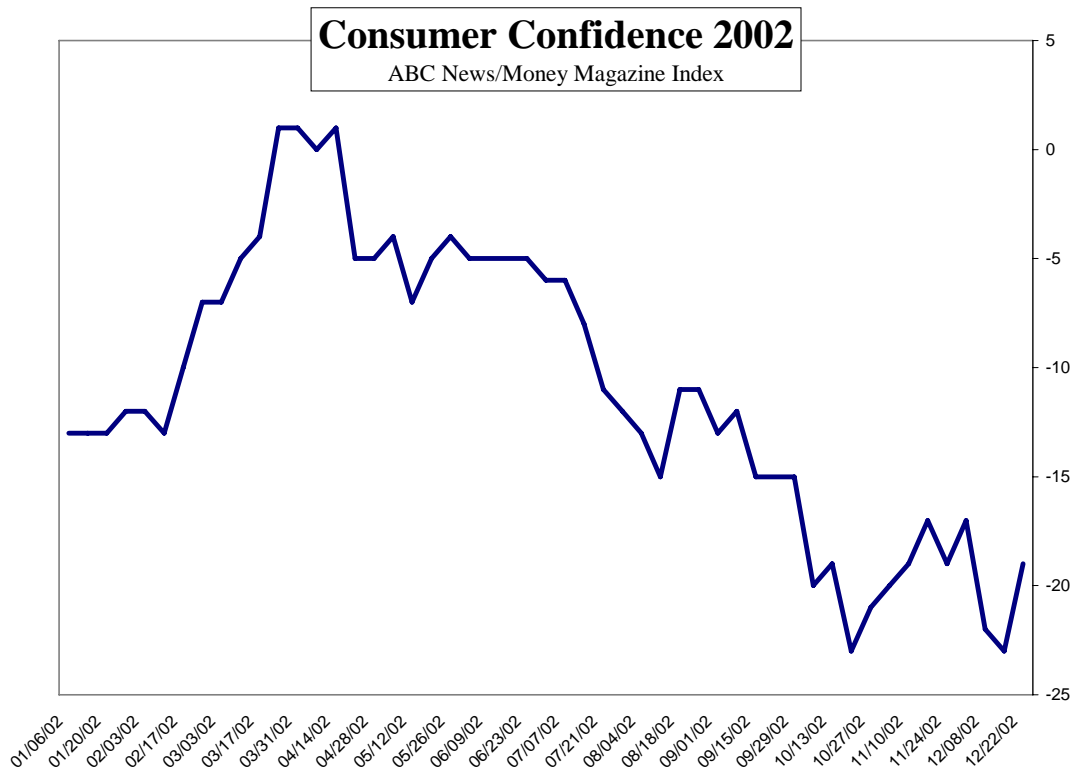
A Dash of Holiday Cheer Lightens Consumer Views

A dash of holiday cheer leavened consumer confidence this week, with the weekly ABC/Money index advancing from a nearly nine-year low.

Confidence remains weak: 2002 on average will be the worst year since 1996 for the ABC/Money index, which stands now at just -19 on its scale of +100 to -100. But it's up from -23 last week, which tied its worst since January 1994.

This week's four-point advance is unusual but not unheard of; the index has risen by four or more points in a single week 46 times since it began December 1985. But it comes just two weeks after the index fell by an unusually steep five points, suggesting that confidence is in a bit of an unstable period.

The index is based on Americans' ratings of the national economy, their personal finances and the buying climate. It peaked at +38 in January 2000, lost 36 points in 2001, then started to claw its way back up early this year, rising to +1 in March. But it's spent the rest of the year in a jagged but decidedly downward trend.



At -19, the index remains far above its all-time low of -50 in February 1992. It averaged a dismal -44 that year. Its best one-year average was +29 in 2000, and its lifetime average is -8.

| | ABC/Money | Index |
|---------------------|-----------|------------------|
| Today | -19 | |
| Last week | -23 | |
| 2002 high | +1 | March, April |
| 2002 low | -23 | Oct. 20, Dec. 15 |
| 2002 average | -11 | |
| 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 | |

INDICES - Ratings of the national economy (now 29 percent positive) and personal finances (55 percent positive) each gained three points this week - a good turnaround especially for views of personal finances, which had lost five points in the previous three weeks, reaching their lowest since August 1995.

In the third ABC/Money gauge, 37 percent rate the buying climate positively, saying it's an excellent or good time to buy things - unchanged this week and just a point away from its 2002 low.

| Positive ratings of: | ABC News/Money magazine poll | | | |
|------------------------|------------------------------|-----------|-----------|-------------|
| | This week | Last week | 2002 high | 17-yr. avg. |
| National economy | 29% | 26 | 45 | 41 |
| Buying climate | 37 | 37 | 45 | 39 |
| Personal finances | 55 | 52 | 63 | 57 |
| Consumer Comfort Index | -19 | -23 | +1 | -8 |

GROUPS - As usual, confidence is higher among better-off Americans. The index stands at +10 among people in higher-income households compared to -48 in the lowest, -4 among college graduates while -53 among high-school dropouts, -17 among whites but -46 among blacks and -15 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 26 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 | 2 | 27 | 71 | 48 | 23 |
| Avg. since 12/85 | 41 | 4 | 38 | 59 | 39 | 19 |

PERSONAL FINANCES - Fifty-five percent rate their own finances as excellent or good; it was 52 percent 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 | 5 | 50 | 45 | 31 | 14 |
| Avg. since 12/85 | 57 | 5 | 53 | 43 | 30 | 12 |

BUYING CLIMATE - Thirty-seven percent say it's an excellent or good time to buy things they want and need, the 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 | 37 | 3 | 34 | 63 | 44 | 19 |
| 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 Dec. 22, 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 Gary Langer.

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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| 12/22/02 | 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 | -23 | -19 | -15 | -11 | 1 | -23 | -11 |
| State of Economy | -42 | -48 | -50 | -40 | -34 | -10 | -50 | -31 |
| Personal Finances | 10 | 4 | 14 | 16 | 12 | 26 | 4 | 17 |
| Buying Climate | -26 | -26 | -22 | -20 | -10 | -10 | -28 | -19 |
| | ----- | | | | | | | |
| | OVERALL INDEX BY DEMOGRAPHIC GROUPS | | | | | | | |
| Sex: | ----- | | | | | | | |
| Men | -15 | -16 | -11 | -13 | 0 | 9 | -17 | -4 |
| Women | -23 | -29 | -27 | -15 | -20 | -4 | -31 | -17 |
| Age: | ----- | | | | | | | |

| | | | | | | | | |
|------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| 18 - 34 | -7 | -16 | -8 | -7 | -2 | 10 | -16 | -4 |
| 35 - 44 | -28 | -31 | -20 | -11 | -15 | 3 | -31 | -12 |
| 45 - 54 | -25 | -22 | -21 | -22 | -19 | 6 | -37 | -12 |
| 55 - 64 | -20 | -26 | -26 | -21 | -5 | 20 | -30 | -12 |
| 65 + | -29 | -30 | -33 | -17 | -16 | -5 | -36 | -20 |
| Income: | | | | | | | | |
| Under \$15K | -48 | -48 | -48 | -41 | -43 | -26 | -54 | -44 |
| \$15K To \$24.9K | -49 | -55 | -40 | -29 | -26 | -19 | -55 | -31 |
| \$25K To \$39.9K | -39 | -32 | -23 | -24 | -9 | 1 | -39 | -17 |
| \$40K To \$49.9K | -18 | -28 | -20 | -23 | 5 | 12 | -30 | -4 |
| Over \$50K | 10 | 5 | 3 | 6 | 5 | 33 | -15 | 11 |
| Region: | | | | | | | | |
| Northeast | -21 | -22 | -32 | -13 | -8 | 2 | -32 | -14 |
| Midwest | -16 | -17 | -14 | -14 | -8 | 4 | -27 | -10 |
| South | -22 | -26 | -24 | -17 | -13 | 4 | -26 | -11 |
| West | -17 | -24 | -6 | -11 | -11 | 9 | -24 | -7 |
| Race: | | | | | | | | |
| White | -17 | -20 | -16 | -13 | -6 | 7 | -20 | -6 |
| Black | -46 | -49 | -45 | -21 | -44 | -18 | -51 | -37 |
| Politics: | | | | | | | | |
| Republican | 14 | 12 | 6 | 7 | 12 | 34 | 2 | 13 |
| Democrat | -35 | -35 | -34 | -26 | -21 | -14 | -37 | -24 |
| Independent | -29 | -33 | -22 | -18 | -16 | -2 | -33 | -13 |
| Education: | | | | | | | | |
| < High School | -53 | -58 | -51 | -46 | -31 | -12 | -59 | -35 |
| High Sch. Grad. | -24 | -28 | -24 | -11 | -16 | -3 | -29 | -14 |
| College + | -4 | -6 | -5 | -7 | 0 | 13 | -18 | 0 |
| Home: | | | | | | | | |
| Own | -13 | -15 | -16 | -10 | -5 | 9 | -21 | -6 |
| Rent | -35 | -39 | -26 | -24 | -24 | -9 | -39 | -22 |
| Marital Status: | | | | | | | | |
| Single | -13 | -20 | -14 | -6 | -14 | 10 | -20 | -8 |
| Married | -15 | -18 | -17 | -14 | -5 | 11 | -20 | -6 |
| Sep/Wid/Div | -41 | -40 | -30 | -24 | -25 | -14 | -42 | -29 |
| Employ. Status: | | | | | | | | |
| Full-Time | -10 | -11 | -13 | -8 | 0 | 12 | -20 | -2 |
| Part-Time | -21 | -28 | -9 | -14 | -10 | 14 | -28 | -8 |
| Not Employed | -32 | -38 | -31 | -22 | -23 | -13 | -38 | -23 |

END