## <u>ABC NEWS/WASHINGTON POST CONSUMER INDEX - 5/7/06</u> EMBARGOED FOR RELEASE AFTER 5 p.m. Tuesday, May 9, 2006

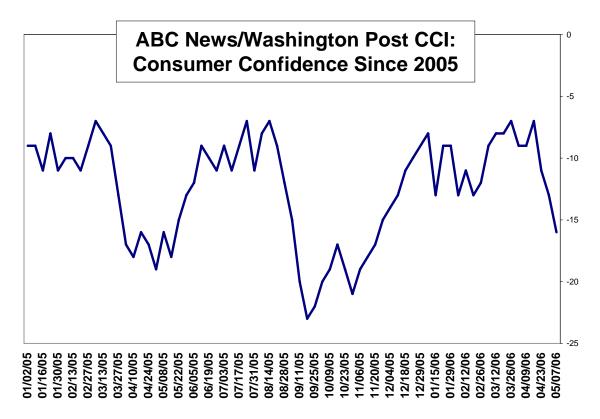
## Confidence at a New '06 Low

Depressed by \$3 gasoline, consumer confidence reached a 2006 low this week, chalking up an unusually steep three-week drop.

The ABC News/Washington Post Consumer Comfort Index dipped to -16 on its scale of +100 to -100, down nine points in the last three weeks. The CCI has dropped this far this fast just 20 other times in more than 20 years of weekly polling.

While pump prices have stabilized recently, regular unleaded now averages \$2.91 gallon. Confidence, long vulnerable to gas prices, last dropped this steeply when gas hit \$3.07 after Hurricane Katrina last fall.

A weakening jobs market may be another factor: The government Friday reported the dimmest job numbers since October.



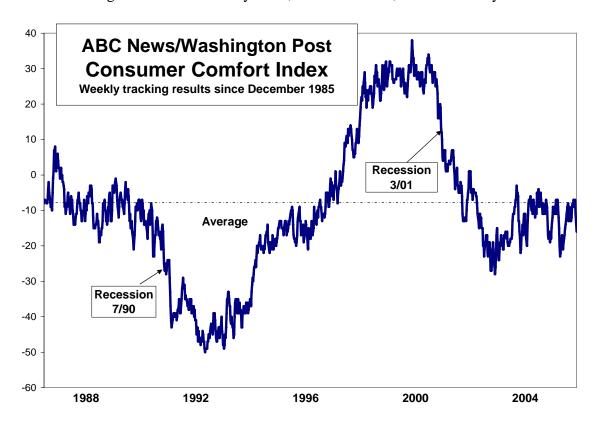
INDEX – The weekly CCI is based on Americans' ratings of the national economy, the buying climate and personal finances. While finances ratings are holding up better, views of the economy and buying climate are as low as they've been in nearly six months, and both are five points below their long-term averages.

This week 35 percent rate the economy positively, down six points in three weeks to its lowest since November 2005; and 33 percent call it a good time to buy things, down four points in three weeks and also tied for its post-November low. As usual, many more, 58 percent, say their own finances are in good shape.

|                        | ABC News/Washington Post CCI |           |           |             |  |  |  |  |
|------------------------|------------------------------|-----------|-----------|-------------|--|--|--|--|
| Positive ratings of:   | This week                    | Last week | 2006 avg. | 20-yr. avg. |  |  |  |  |
| National economy       | 35%                          | 37        | 40        | 40          |  |  |  |  |
| Buying climate         | 33                           | 35        | 37        | 38          |  |  |  |  |
| Personal finances      | 58                           | 58        | 58        | 57          |  |  |  |  |
| Consumer Comfort Index | k −16                        | -13       | -10       | -9          |  |  |  |  |

TREND – As noted, at -16 the CCI is at its low for the year. It hit its previous low for 2006, -13, four times, including last week. It's been as high as -7, as recently as three weeks ago, and has averaged -10 this year, about the same as its average since this weekly survey began in December 1985, -9.

Its all-time high was +38 in January 2000; its all-time low, -50 in February 1992.



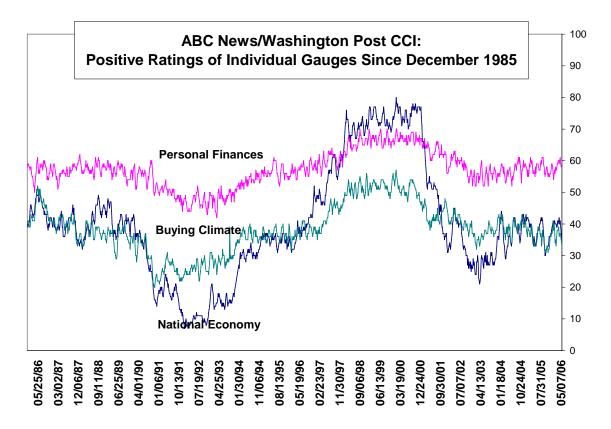
|                 | ABC/Post | CCI |
|-----------------|----------|-----|
| Today           | -16      |     |
| Last week       | -13      |     |
| Three weeks ago | -7       |     |

```
2006 high
                       -7
                             April 16, March 26
2006 low
                             May 7
                       -16
2006 average
                       -10
                       -13
2005 average
2004 average
                       -11
2003 average
                       -19
2000 average
                      +29
                             Best full year
                             Worst full year
1992 average
                      -44
Jan. 16, 2000
                      +38
                             Record high
Feb. 9, 1992
                       -50
                             Record low
Average since 12/85
                       -9
```

GROUPS – As usual, the CCI is higher in better-off groups. It's +25 among higher-income Americans while -52 among those with the lowest incomes, -3 among college graduates while -46 among those who haven't finished high school, -11 among whites but -50 among blacks and -6 among men while -25 among women.

Regionally, at -5 the index is best in the West, compared with -27 in the Midwest, -20 in the Northeast and -14 in the South.

Confidence remains far higher among Republicans (+23) than among independents (-23) or, particularly, among Democrats (-41). Over the past three weeks, the CCI has dipped 15 points among Republicans and nine points among Democrats, but is unchanged among independents.



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

NATIONAL ECONOMY – Thirty-five percent of Americans rate the economy as excellent or good; it was 37 percent last week. The highest was 80 percent on Jan. 16, 2000. The lowest was seven percent in late 1991 and early 1992.

|                 | Pos. NET | Excel. | Good | Neg. NET | Not good | Poor |
|-----------------|----------|--------|------|----------|----------|------|
| This week       | 35       | 6      | 29   | 65       | 38       | 27   |
| Avg. since 12/8 | 5 40     | 3      | 37   | 60       | 40       | 20   |

PERSONAL FINANCES – Fifty-eight percent say their own finances are excellent or good; that's unchanged from last week. The best was 70 percent on Aug. 30, 1998, matched in January 2000. The worst was 42 percent on March 14, 1993.

|                 | Pos. NET | Excel. | Good | Neg. NET | Not good | Poor |
|-----------------|----------|--------|------|----------|----------|------|
| This week       | 58       | 7      | 51   | 42       | 29       | 13   |
| Avg. since 12/8 | 5 57     | 5      | 52   | 43       | 30       | 13   |

BUYING CLIMATE – Thirty-three percent say it's an excellent or good time to buy things; it was 35 percent last week. The best was 57 percent on Jan. 16, 2000. The worst was 20 percent in fall 1990.

|      |       | Pc    | s. NET | Excel. | Good | Neg. net | Not good | Poor |
|------|-------|-------|--------|--------|------|----------|----------|------|
| This | week  |       | 33     | 2      | 31   | 67       | 43       | 24   |
| Avg. | since | 12/85 | 38     | 3      | 36   | 62       | 41       | 21   |

METHODOLOGY – Interviews for the ABC News/Washington Post 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 7, 2006. The results have a three-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 Jon Cohen.

ABC News polls can be found online at http://abcnews.com/pollvault.html.

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

| Overall Index State of Economy Personal Finances Buying Climate | 16         | -13<br>-26<br>16<br>-30 | 20       | -20<br>12  | 16      | -7<br>-16<br>22<br>-18 | -40<br>8   | -13<br>-25<br>16<br>-29 |
|---|------------|-------------------------|----------|------------|---------|------------------------|------------|-------------------------|
|   |            | OVERA                   | LL IND   | EX BY      | DEMOGR. | APHIC (                | GROUPS     |                         |
| Sex:  |            | 2                       | 4        | _          |         |                        | - 4        | 0                       |
| Men   |            |                         |          |            | -7      |                        |            |                         |
| Women   | -25        | -22                     | -19      | -20        | -24     | -11                    | -36        | -22                     |
| Age:<br>18 - 34   | -7         | -2                      | -10      | -9         | -12     | 1                      | -28        | -11                     |
| 18 - 34<br>35 - 44  | -7<br>-22  | -2<br>-15               | -10<br>3 | -9<br>-9   |         | 5                      | -28<br>-27 | -11<br>-9               |
| 45 - 54   | -22<br>-18 | -15<br>-22              | -16      | -27        |         | -5                     |            | -17                     |
| 55 - 64   | -15<br>-15 | -11                     | -10      | -27<br>-7  |         | - 5                    |            | -13                     |
| 65+   | -26        | -24                     |          | -14        |         | -1                     |            | -14                     |
| Income:   | 20         | 21                      | 10       |            | 20      | _                      | 20         |                         |
| Under \$15K   | -52        | -45                     | -60      | -43        | -67     | -33                    | -71        | -54                     |
| \$15K To \$24.9K  | -54        | -47                     | -31      | -47        |         | -28                    |            | -44                     |
| \$25K To \$39.9K  | -33        | -23                     | -24      | -28        | -37     | -12                    | -44        | -28                     |
| \$40K To \$49.9K  | -11        | -8                      | 0        | -24        | -24     | 26                     |            | -8                      |
| Over \$50K  | 17         | 21                      | 15       | 18         | 19      | 26                     | 4          | 17                      |
| \$50K To \$74.9K  | 9          | 16                      | 5        | 6          | 10      | 17                     | -14        | 4                       |
| \$75K To \$99.9K  | 21         | 19                      | 14       | 21         | 14      | 37                     | -1         | 19                      |
| Over \$100K   | 25         | 28                      | 31       | 31         | 38      | 50                     | 18         | 35                      |
| Region:   |            |                         |          |            |         |                        |            |                         |
| Northeast   | -20        | -21                     |          |            |         | -5                     |            | -18                     |
| Midwest   | -27        |                         | -11      |            |         | -3                     |            | -16                     |
| South   | -14        | -10                     | -4       | -13        |         | 3                      |            | -11                     |
| West  | -5         | -6                      | -1       | -4         | -14     | 7                      | -20        | -7                      |
| Race:   |            | _                       |          | _          |         | _                      |            |                         |
| White   | -11        |                         | -2       |            |         | -1                     |            | -8                      |
| Black<br>Politics:  | -50        | -52                     | -52      | -51        | -47     | -25                    | -57        | -43                     |
|   | 23         | 28                      | 36       | 20         | 21      | 38                     | 9          | 27                      |
| Republican<br>Democrat  |            | -40                     |          | -32        |         | -27                    |            |                         |
| Independent   | -23        | -40<br>-20              | -23      | -3Z<br>-17 |         | -27<br>-10             |            | -30<br>-19              |
| Education:  | 23         | 20                      | 23       | Ι,         | 23      | 10                     | 31         | 17                      |
| < High School   | -46        | -37                     | -23      | -46        | -42     | -23                    | -63        | -40                     |
| High Sch. Grad.   | -22        | -23                     | -17      | -23        | -21     | -13                    | -35        | -23                     |
| College +   | -3         | 0                       | 3        | 4          | -4      | 12                     | -9         | 3                       |
| Home:   |            |                         |          |            |         |                        |            |                         |
| Own   | -10        | -6                      | -1       | -8         | -6      | 4                      | -17        | -4                      |
| Rent  | -34        | -30                     | -29      | -32        | -39     | -20                    | -49        | -34                     |
| Marital Status:   |            |                         |          |            |         |                        |            |                         |
| Single  | -16        | -13                     | -22      | -17        | -24     | -8                     | -31        | -18                     |
| Married   | -7         | -1                      | 6        | -3         | 2       | 8                      | -14        | -2                      |
| Sep/Wid/Div   | -41        | -41                     | -28      | -40        | -46     | -22                    | -49        | -34                     |
| Employ. Status:   |            |                         |          |            |         |                        |            |                         |
| Full-Time   | -3         | 0                       | 2        | -6         | -4      | 6                      | -13        | -2                      |
| Part-Time   | -21        | -17                     | -11      | -12        | -27     | -1                     | -29        | -16                     |
| Not Employed  | -34        | -29                     | -21      | -24        | -29     | -15                    | -43        | -24                     |

\*\*\*END\*\*\*