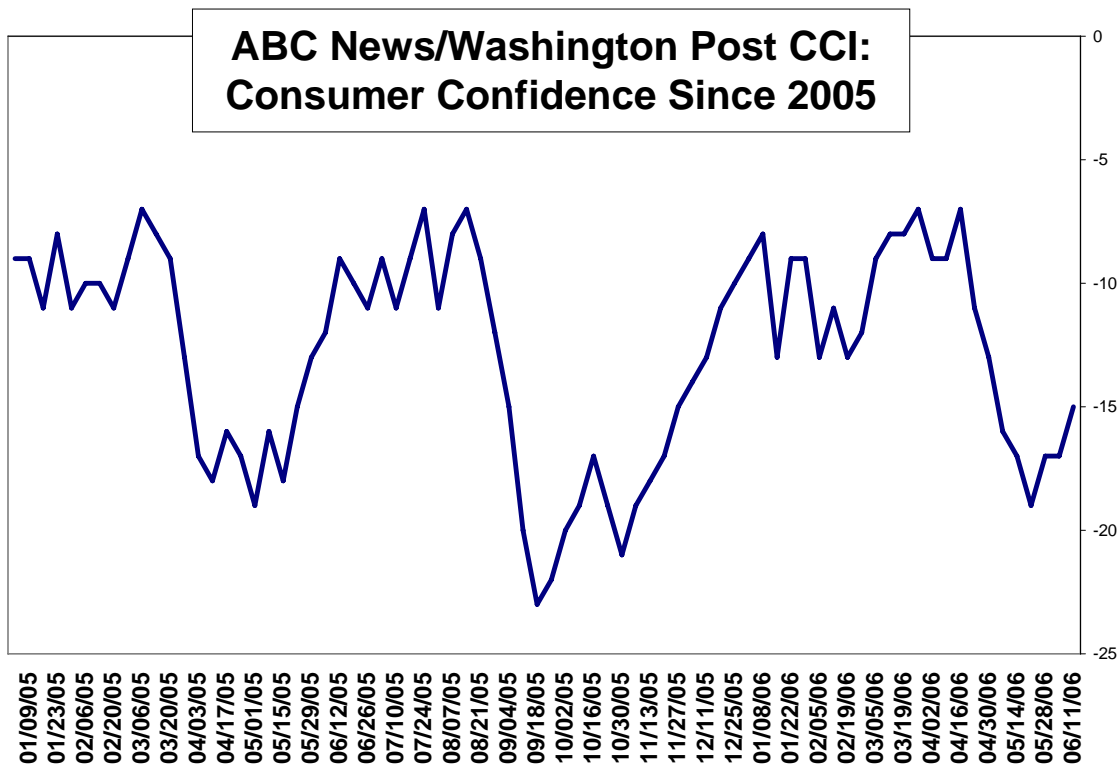


## **Confidence Tops Recent Lows, But Inflation Bears Watching**

Consumer confidence has edged up from its low for the year, but it remains worse than usual in a time of continued mixed economic indicators.

The ABC News/Washington Post Consumer Comfort Index stands this week at -15 on its scale of +100 to -100, up modestly from its 2006 low of -19 three weeks ago. It's still well below its 2006 high, -7 (last seen in April), and also off its 20-year average, -9.

The index fell sharply from late April through most of May. Not only did gas prices soar, but new Labor Department data report a higher-than-expected increase in core producer prices in May, and the department recently reported that job growth slowed last month. While off its peak, gas still averages \$2.91 a gallon nationally.



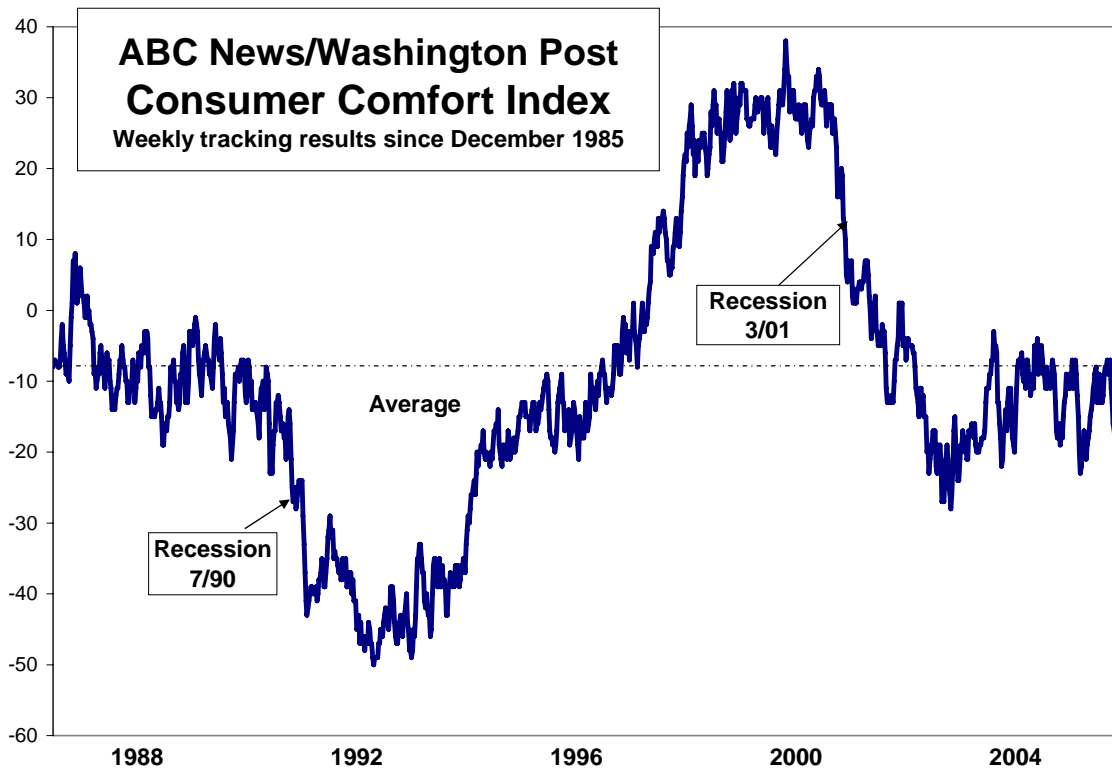
**INDEX** – The weekly ABC/Post index is based on Americans' ratings of the national economy, the buying climate and their personal finances. In the biggest recent change, 37 percent call it a good time to buy things, up five points in three weeks. About as many, 36

percent, rate the economy positively overall, and as usual more, 55 percent, say their own finances are in good shape.

Positive ratings of:	ABC News/Washington Post CCI			
	This week	Three weeks ago	2006 avg.	20-yr. avg.
National economy	36%	33	39	40
Buying climate	37	32	36	38
Personal finances	55	56	58	57
Consumer Comfort Index	-15	-19	-12	-9

**TREND** – The CCI started the year at -8, slipped to -13 in February, then jumped to -7 first in March and again in April before dipping 12 points in five weeks. It bottomed out May 21 at -19, compared with today’s -15.

The index has averaged -12 so far this year, a bit worse than its average in weekly polls since December 1985, -9. The CCI’s record low was -50 in February 1992; it’s all-time high, +38 in January 2000.

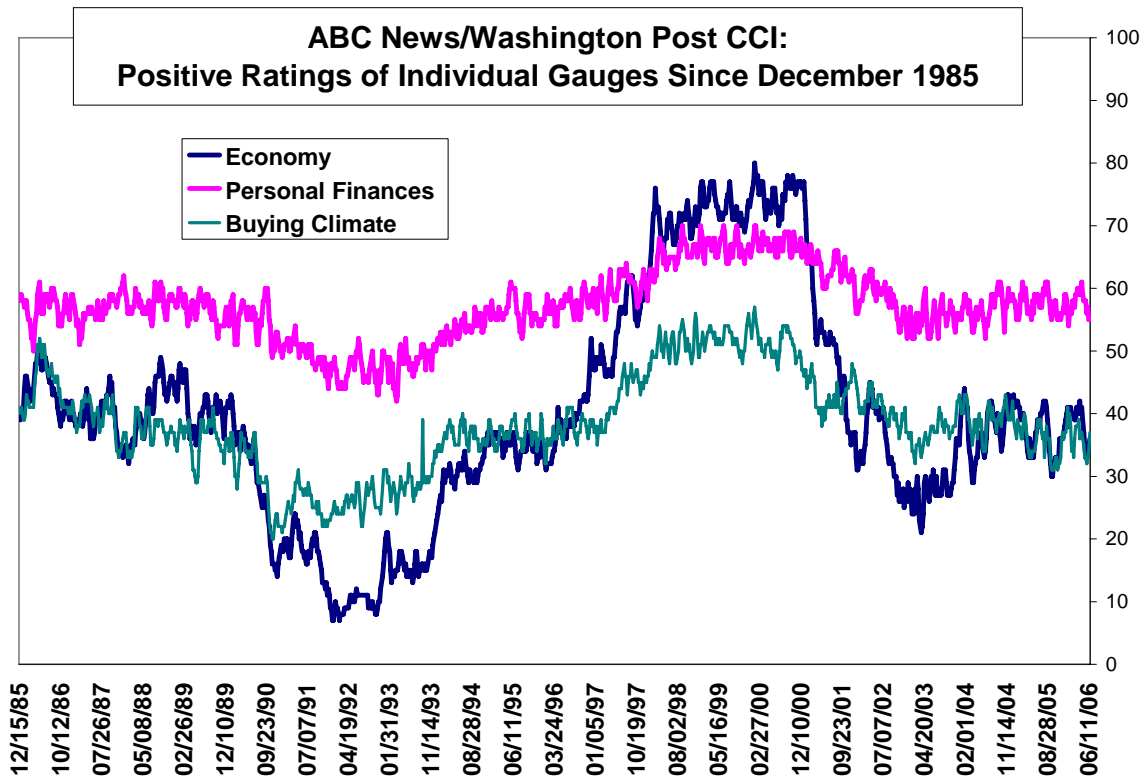


ABC/Post CCI	
Today	-15
2006 low	-19 May 21
2006 high	-7 April 16, March 26
2006 average	-12
2000 average	+29 Best full year
1992 average	-44 Worst full year
Jan. 16, 2000	+38 Record high

Feb. 9, 1992 -50 Record low  
 Average since 12/85 -9

**GROUPS** – As usual, the CCI is higher in better-off groups. It's +25 among top-income Americans while -43 among those with the lowest incomes, 0 among college graduates while -49 among those who haven't finished high school, -12 among whites but -39 among blacks and -4 among men while -24 among women.

Regionally, the index is -3 in the West compared with -15 in the South, -19 in the Northeast and -23 in the Midwest. It remains far higher among Republicans (+22) than among independents (-18) or particularly among Democrats (-39).



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

**NATIONAL ECONOMY** – Thirty-six percent of Americans rate the economy as excellent or good; it was 35 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	36	5	31	64	39	25
Avg. since 12/85	40	3	37	60	40	20

PERSONAL FINANCES – Fifty-five percent say their own finances are excellent or good; it was also 55 percent 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	55	8	47	45	32	13
Avg. since 12/85	57	5	52	43	30	13

BUYING CLIMATE – Thirty-seven percent say it's an excellent or good time to buy things; it was 34 percent last week. The best was 57 percent on Jan. 16, 2000. The worst was 20 percent in fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	37	4	33	63	42	21
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 June 11, 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.

06/11/06	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	-17	-17	-8	-9	-7	-23	-13
State of Economy	-28	-30	-34	-18	-22	-16	-40	-25
Personal Finances	10	10	16	18	18	22	8	15
Buying Climate	-26	-32	-34	-24	-22	-18	-38	-29
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-4	-8	-11	0	0	9	-14	-2
Women	-24	-25	-23	-15	-15	-11	-36	-23
Age:								
18 - 34	-8	-17	-11	-2	-6	1	-28	-11
35 - 44	-12	-8	-21	-8	-6	5	-27	-10

45 - 54	-25	-25	-17	-13	-16	-5	-31	-17
55 - 64	-12	-8	-12	-9	-10	0	-36	-13
65+	-21	-26	-31	-11	-3	-1	-31	-16
Income:								
Under \$15K	-43	-57	-67	-47	-49	-33	-72	-54
\$15K To \$24.9K	-52	-58	-57	-31	-44	-28	-65	-45
\$25K To \$39.9K	-18	-23	-32	-14	-21	-12	-44	-27
\$40K To \$49.9K	-41	-34	-11	-2	12	26	-41	-10
Over \$50K	8	15	17	22	15	26	4	17
\$50K To \$74.9K	-7	-4	7	3	-2	17	-14	3
\$75K To \$99.9K	10	17	17	31	36	37	-1	19
Over \$100K	25	36	31	43	23	50	18	34
Region:								
Northeast	-19	-21	-18	-5	-6	-5	-41	-18
Midwest	-23	-22	-24	-10	-21	-3	-29	-16
South	-15	-19	-18	-14	3	3	-27	-12
West	-3	-5	-9	2	-14	7	-19	-6
Race:								
White	-12	-10	-10	-1	-4	-1	-18	-8
Black	-39	-51	-57	-29	-37	-25	-57	-44
Politics:								
Republican	22	24	22	35	29	38	9	27
Democrat	-39	-42	-41	-30	-27	-27	-46	-36
Independent	-18	-24	-24	-13	-14	-10	-31	-19
Education:								
< High School	-49	-51	-56	-46	-45	-23	-63	-42
High Sch. Grad.	-22	-30	-25	-16	-14	-13	-35	-23
College +	0	2	0	10	7	12	-9	2
Home:								
Own	-6	-6	-11	0	4	4	-17	-5
Rent	-39	-44	-35	-28	-38	-20	-49	-34
Marital Status:								
Single	-18	-27	-21	-13	-15	-8	-29	-18
Married	-6	-3	-8	2	1	8	-14	-2
Sep/Wid/Div	-35	-36	-36	-24	-22	-22	-49	-34
Employ. Status:								
Full-Time	-7	-8	-6	5	-3	6	-13	-3
Part-Time	-18	-21	-17	-11	-5	-1	-29	-16
Not Employed	-26	-29	-35	-26	-15	-15	-43	-24

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