

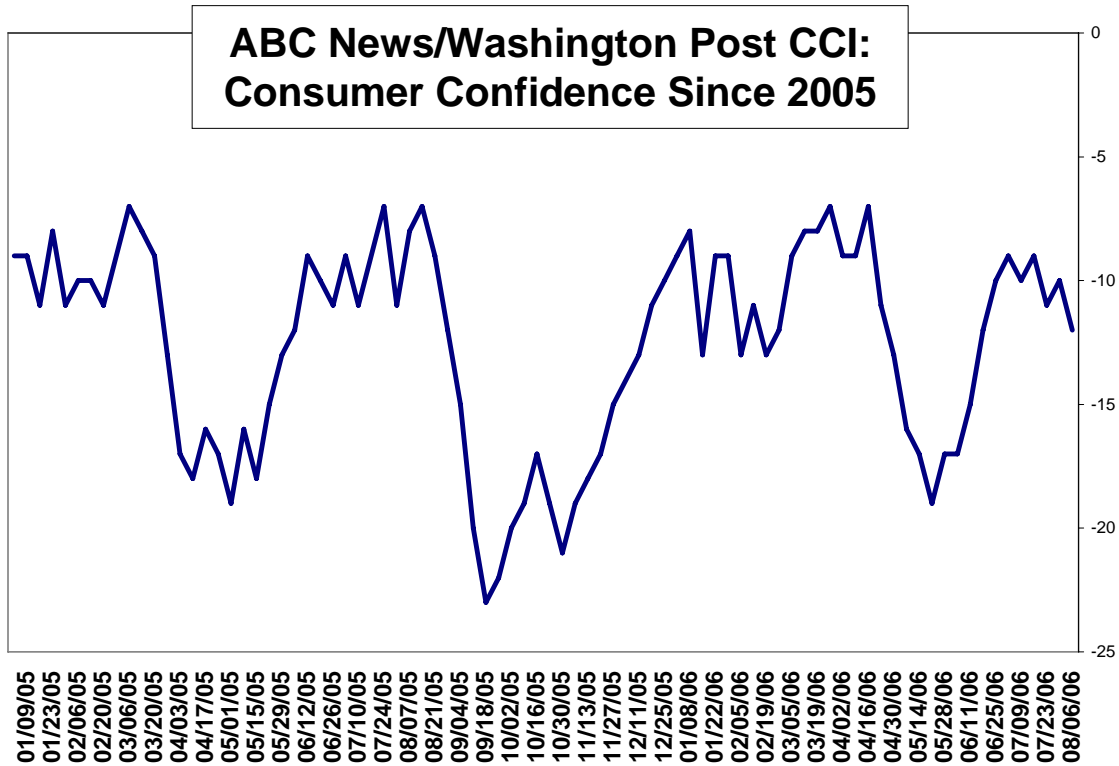
## Confidence Shows Some Strain

Consumer confidence is showing some strains, slipping to its lowest in seven weeks in the face of the highest gas prices since Hurricane Katrina, soft job growth and a cooling economy.

The ABC News/Washington Post Consumer Comfort Index stands at -12 on its scale of +100 to -100 this week, inching out of the -9 to -11 range it which it had hovered since late June.

But the index is still better than its 2006 low, -19 in May, despite some discouraging trends. Gas prices advanced this week to \$3.04 a gallon, just short of post-Katrina prices – and gas is expected to go higher, given BP’s long-term shutdown of production in Alaska’s Prudhoe Bay for pipeline repairs.

Additionally, the Labor Department’s latest monthly jobs report found tepid job growth. And the Fed cited a cooling economy Tuesday in opting not to raise interest rates for the first time in more than two years.

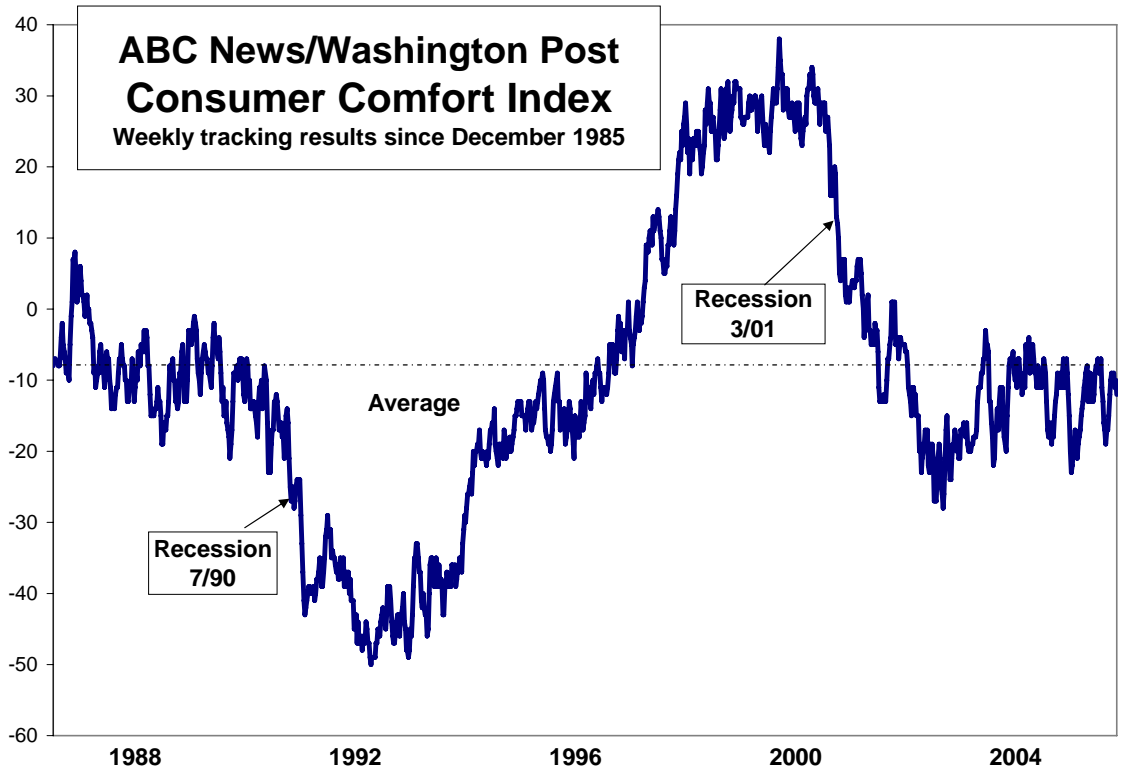


INDEX – The CCI is based on Americans’ ratings of the national economy, the buying climate and their personal finances. Ratings of finances, 61 percent positive, are running above their long-term average since late 1985. But positive ratings of the buying climate (34 percent) and national economy (37 percent) are below average.

	ABC News/Washington Post CCI			
Positive ratings of:	This week	Last week	2006 avg.	20-yr. avg.
National economy	37	39	39	40
Buying climate	34	35	36	38
Personal finances	61	61	58	57
Consumer Comfort Index	-12	-10	-11	-9

TREND – The index started the year at -8 and peaked at -7 in March and again in April. It dropped to -19 in May before climbing back to its 20-year average of -9 in July. Its all-time high was +38 in January 2000; its record low, -50 in February 1992.

The CCI customarily is sensitive to gasoline prices; its relative resilience in the past month and a half suggests that Americans may be accommodating themselves to higher prices at the pump.

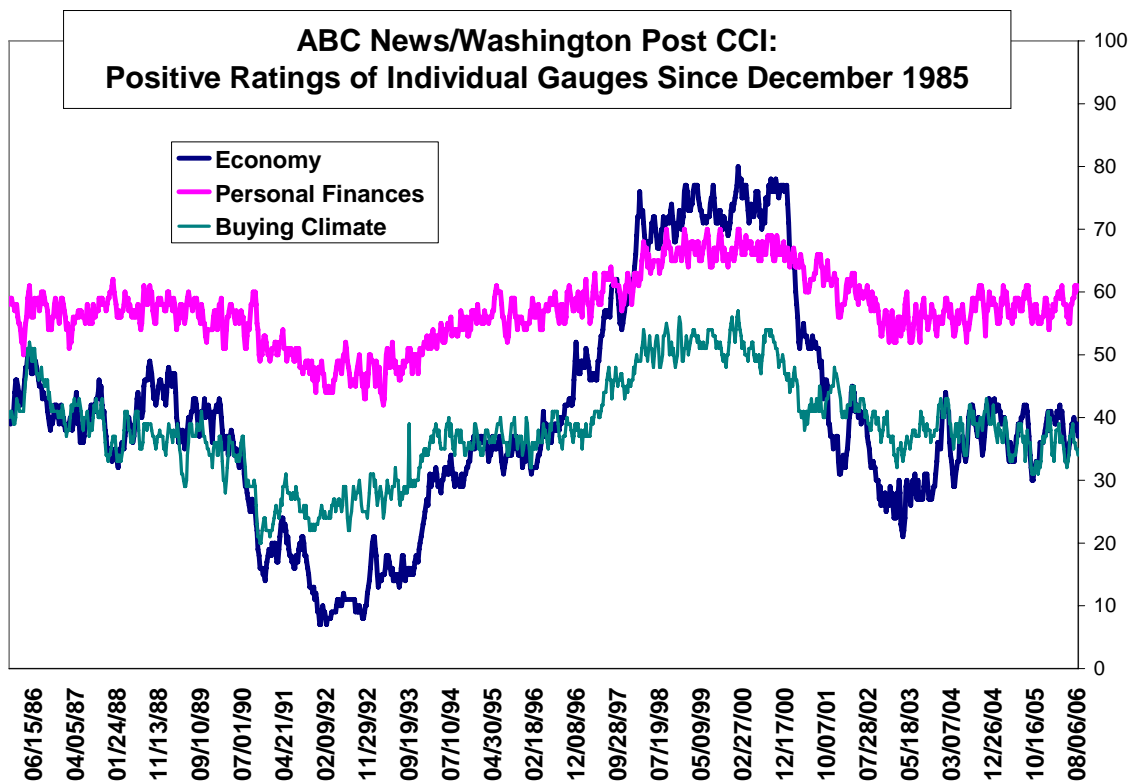


	ABC/Post CCI	
This week	-12	
Last week	-10	
2006 high	-7	April 16, March 26
2006 low	-19	May 21
2006 average	-11	

2005 average	-13	
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 index is higher in better-off groups. It's +34 among higher-income Americans while -71 among those with the lowest incomes, +2 among college graduates while -48 among those who haven't finished high school, -8 among whites but -44 among blacks and +7 among men while -29 among women.

Regionally, the index is best in the West, at +1, compared with -13 in both the Northeast and Midwest and -18 in the South. A partisan component to consumer confidence continues: The index is +18 among Republicans, but -19 among independents and -29 among Democrats. Still, this week's 47-point gap between the parties is smaller than it has been in recent months. (Last week, there was a 58-point gap.)



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

NATIONAL ECONOMY – Thirty-seven percent of Americans rate the economy as excellent or good; it was 39 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	37	4	33	63	39	24
Avg. since 12/85	40	3	37	60	40	20

**PERSONAL FINANCES** – Sixty-one percent say their own finances are excellent or good, the same as 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	61	8	53	39	26	13
Avg. since 12/85	57	5	52	43	30	13

**BUYING CLIMATE** – Thirty-four 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.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	34	2	32	66	43	23
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 Aug. 6, 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 Tanveer Ali.

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

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08/06/06	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
Group								
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GENERAL POPULATION:								
Overall Index	-12	-10	-10	-16	-8	-7	-23	-13
State of Economy	-26	-22	-21	-30	-16	-16	-40	-26
Personal Finances	22	22	18	16	22	22	8	16
Buying Climate	-32	-30	-29	-34	-30	-18	-38	-29

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:								
Men	7	6	-3	-6	2	7	-14	-2
Women	-29	-25	-17	-25	-18	-11	-36	-23
Age:								
18 - 34	-7	-4	-5	-7	-3	1	-28	-9
35 - 44	-15	-14	-11	-22	-6	5	-27	-11
45 - 54	-18	-21	-16	-18	-14	-6	-31	-17
55 - 64	-14	-10	-20	-15	-4	0	-36	-13
65+	-9	-6	-6	-26	-15	-1	-31	-16
Income:								
Under \$15K	-71	-65	-47	-52	-49	-33	-72	-54
\$15K To \$24.9K	-42	-44	-50	-54	-46	-28	-65	-45
\$25K To \$39.9K	-6	-7	-21	-33	-16	-6	-44	-26
\$40K To \$49.9K	-22	-6	6	-11	-5	26	-41	-12
Over \$50K	12	13	13	17	18	26	4	16
\$50K To \$74.9K	-13	-9	-7	9	4	17	-15	2
\$75K To \$99.9K	16	22	18	21	25	31	-1	17
Over \$100K	34	29	29	25	38	50	18	34
Region:								
Northeast	-13	-13	-9	-20	-16	-3	-41	-18
Midwest	-13	-13	-8	-27	-18	-4	-29	-16
South	-18	-17	-17	-14	0	2	-27	-14
West	1	6	-3	-5	-3	7	-19	-3
Race:								
White	-8	-7	-5	-11	-4	-1	-18	-8
Black	-44	-38	-35	-50	-31	-27	-57	-43
Politics:								
Republican	18	24	28	23	26	38	9	26
Democrat	-29	-34	-30	-41	-39	-27	-46	-36
Independent	-19	-19	-19	-23	-12	-10	-31	-19
Education:								
< High School	-48	-53	-35	-46	-29	-23	-63	-42
High Sch. Grad.	-17	-14	-18	-22	-22	-13	-35	-22
College +	2	4	2	-3	7	12	-9	2
Home:								
Own	-7	-3	-2	-10	-2	2	-17	-6
Rent	-25	-29	-35	-34	-23	-20	-49	-33
Marital Status:								
Single	-19	-12	-9	-16	-14	-4	-28	-17
Married	4	2	-5	-7	4	8	-14	-3
Sep/Wid/Div	-45	-44	-26	-41	-33	-22	-49	-35
Employ. Status:								
Full-Time	-5	-5	-1	-3	-3	6	-13	-3
Part-Time	-16	-10	-10	-21	-1	-1	-29	-15
Not Employed	-20	-18	-23	-34	-17	-15	-43	-24

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