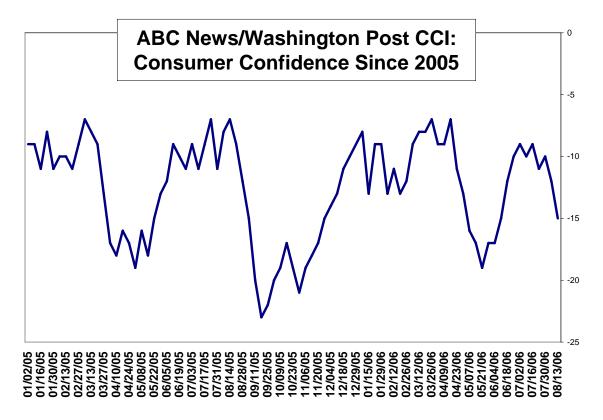
## <u>ABC NEWS/WASHINGTON POST CONSUMER INDEX – 8/13/06</u> EMBARGOED FOR RELEASE AFTER 5 p.m. Tuesday, Aug. 15, 2006

## **Confidence Dips to Two-Month Low**

Amid signs of a slowing economy and high gas prices, consumer confidence sunk to its lowest level in two months this week. And looking ahead, Americans remain bleak: most think the economy's getting worse.

The ABC News/Washington Post Consumer Comfort Index is now at -15 on its scale of +100 to -100, compared with -12 last week. It's down six points in the last month and is also six points off its long-term average. Confidence had held essentially stable throughout July, before showing sign of strain last week. Still, it's holding above its worst of the year, -19 on May 21.

But most Americans don't foresee things improving soon. Fifty-four percent say the economy's getting worse, compared with just 15 percent who think it's getting better. A steady majority has been pessimistic since May.



INDEX – The CCI is based on Americans' ratings of the national economy, the buying climate and their personal finances. Thirty-six percent say the national economy is in good shape, down four points from early July. Just 33 percent call it a good time to buy

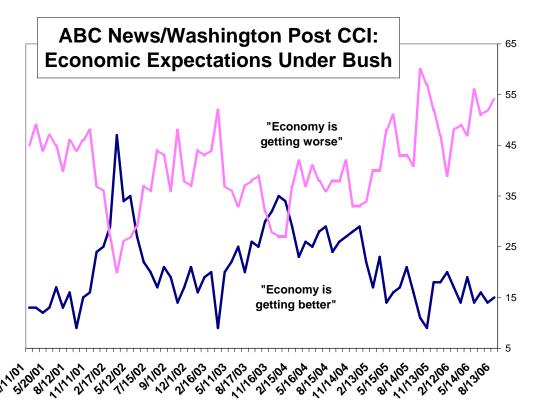
things, down six points from early July. Positive ratings of personal finances, now at 59 percent, have been steadier.

	A	BC News/Washi	ngton Post	CCI
Positive ratings of:	This week	Last week	2006 avg.	20-yr. avg.
National economy	36	37	38	40
Buying climate	33	34	36	38
Personal finances	59	61	58	57
Consumer Comfort Index	x -15	-12	-12	-9

EXPECTATIONS – At 54 percent, pessimism about the direction of the economy is well above its 25-year average of 39 percent, but still better now than it was last September, when 60 percent said the economy was getting worse just after Hurricane Katrina.

As noted, most have been pessimistic about the economy since May. But there are regional differences: Six in 10 Northeasterners say the economy's weakening, as do 58 percent in the South and 56 percent in the Midwest. Just 39 percent of Westerners agree.

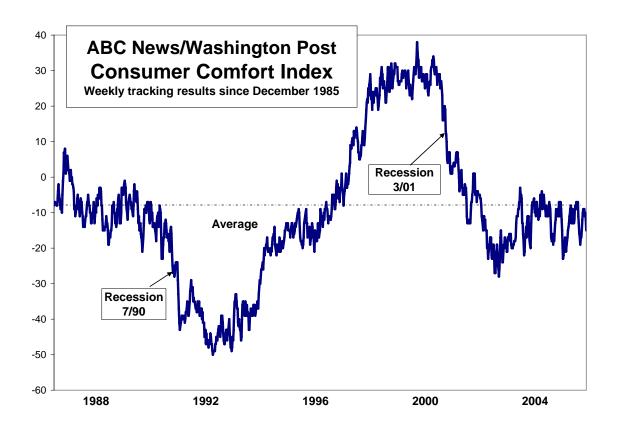
	Economy is:						
	Getting better	Getting worse	Staying the same				
Now	15	54	30				
Last month	14	52	34				
Sept. 18, 2005	5 11	60	27				
Avg. since 198	31 20	39	40				
Worst, Oct. 19	90 3	77	19				
Best, Aug. 198	33 50	19	30				



TREND – At -15, the index is three points off its average so far this year. It's been as high as -7 this year (in March and again in April) and, as noted, as low as -19 in May. It recovered to its 20-year average of -9 in July, before dipping again.

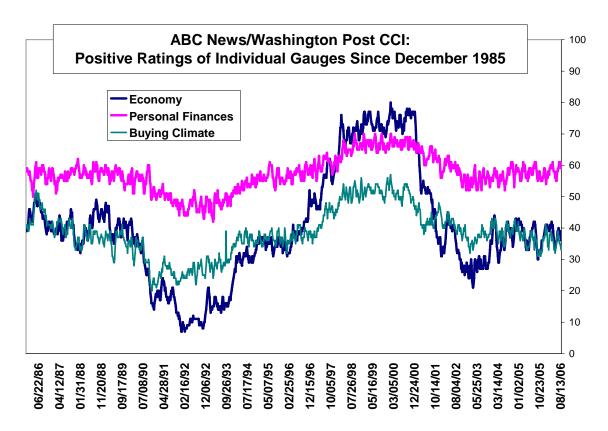
Its all-time high was +38 in January 2000; its record low, -50 in February 1992.

		ABC/Post	CCI
This	week	-15	
Last	week	-12	
Four	weeks ago	-9	
2006	high	-7	April 16, March 26
2006	low	-19	May 21
2006	average	-12	
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
Avera	age since 12	/85 -9	



GROUPS – As usual, the index is higher in better-off groups. It's +41 among higher-income Americans while -71 among those with the lowest incomes, -3 among college graduates while -46 among those who haven't finished high school, -11 among whites but -42 among blacks and +2 among men while -29 among women.

Similar to expectations, the index is best in the West, at -4, compared with -16 in the Midwest, -17 in the South and -20 in the Northeast. A partisan component to consumer confidence continues: The index is +12 among Republicans, but -19 among independents and -29 among Democrats. Still, the gap between Republicans and Democrats is smaller than it's been.



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 37 percent last week. The highest was 80 percent on Jan. 16, 2000. The lowest was seven percent in late 1991 and early 1992.

		Po	s. NET	Excel.	Good	Neg. NET	Not good	Poor
This	week		36	3	33	64	38	26
Avg.	since	12/85	40	3	37	60	40	20

PERSONAL FINANCES – Fifty-nine percent say their own finances are excellent or good; it was 61 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.

		Po	s. NET	Excel.	Good	Neg. NET	Not good	Poor
This	week		59	7	52	41	28	13
Avg.	since	12/85	57	5	52	43	30	13

BUYING CLIMATE – Thirty-three 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	33	1	32	67	45	22
Avg. since 12/8	5 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 August 13, 2006. The results have a three-point error margin. The expectations question was asked of 500 respondents August 2-13; that result has a 4.5-point margin of error. 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 Dalia Sussman.

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

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

08/13/06							12 Mo Low	
Group								
GENERAL POPULATION:								
Overall Index	-15	-12	-9	-17	-7	-7	-23	-13
State of Economy				-34	-18	-16	-40	-26
Personal Finances	18	22	22	16	22	22	8	16
Buying Climate	-34	-32	-28	-34	-24	-18	-38	-29
		OVER	ALL INI	DEX BY	DEMOGI	RAPHIC	GROUPS	 S
Sex:								
Men	2	7	2	-11	3	7	-14	-2
Women	-29	-29	-20	-23	-15	-11	-36	-23
Age:								
18 - 34	-11	-7	-6	-11	-2	1	-28	-10
35 - 44	-14	-15	-12	-21	-6	5	-27	-11
45 - 54	-18	-18	-16	-17	-14	-6	-31	-18
55 - 64	-18	-14	-16	-12	-2	0	-36	-14
65+	-14	-9	-1	-31	-11	-1	-31	-16
Income:								
Under \$15K	-71	-71	-53	-67	-55	-33	-72	-54
\$15K To \$24.9K	-43	-42	-47	-57	-45	-28	-65	-45
\$25K To \$39.9K	-6	-6	-16	-32	-17	-6	-44	-26

\$40K To \$49.9K Over \$50K \$50K To \$74.9K \$75K To \$99.9K	-28 6 -20 7	-22 12 -13 16	5 12 -10 18	-11 17 7 17	-6 20 8 15	26 26 17 31	-41 4 -20 -1	-12 16 2 17
Over \$100K	41	34	28	31	45	50	18	34
Region: Northeast	-20	-13	-10	-18	-12	-3	-41	-19
Midwest	-20 -16	-13 -13	-10 -7	-16 -24	-12 -15	-3 -4		-19 -16
South	-16 -17	-13 -18	-19	-24 -18	-15 2	- <del>4</del>	-29 -27	-16
	-17 -4	-10 1	-19 4	-10 -9	-8	7	-27 -19	-1 <del>4</del>
West	-4	1	4	-9	-8	/	-19	-3
Race: White	-11	-8	-5	-10	-1	-1	-18	-8
	-11 -42	-8 -44	-5 -33		_	-1 -27	_	-8 -43
Black Politics:	-42	-44	-33	-5/	-33	-27	-5/	-43
	1.0	1.0	0.77	2.2	20	2.0	0	26
Republican	12	18	27	22	29	38	9	26
Democrat	-29	-29	-28	-41	-36	-27		-36
Independent	-19	-19	-18	-24	-12	-10	-31	-19
Education:	1.0	4.0	4.1	Г.С	0.4	0.0	<i>c</i> 2	4.0
< High School	-46		-41	-56	-24	-23		-42
High Sch. Grad.	-19	-17	-19	-25	-17	-13		-22
College +	-3	2	5	0	5	12	-9	2
Home:	_		0		-		1.0	
Own	-7	-7	-2	-11	-1	2	-17	-6
Rent	-30	-25	-33	-35	-20	-20	-49	-33
Marital Status:								
Single	-22	-19	-4		-11	-4	_	-17
Married	0	4	-3	_	2	8	-14	-3
Sep/Wid/Div	-42	-45	-36	-36	-22	-22	-49	-35
Employ. Status:								
Full-Time	-11	-5	-3		-2	6	-13	-3
Part-Time	-6	-16	-13		-3	-1	-29	-15
Not Employed	-23	-20	-17	-35	-16	-15	-43	-24

1. Do you think the nation's economy is getting better, getting worse or staying the same?

	Getting	Getting	Staying	No
	Better	Worse	the Same	Opinion
8/13/06	15	54	30	1
7/16/06	14	52	34	1
6/18/06	16	51	32	1
5/14/06	14	56	29	1
4/16/06	19	47	33	2
Call for	full trend.			

<sup>\*=</sup>less than 1 percent.

<sup>\*\*\*</sup>END\*\*\*