

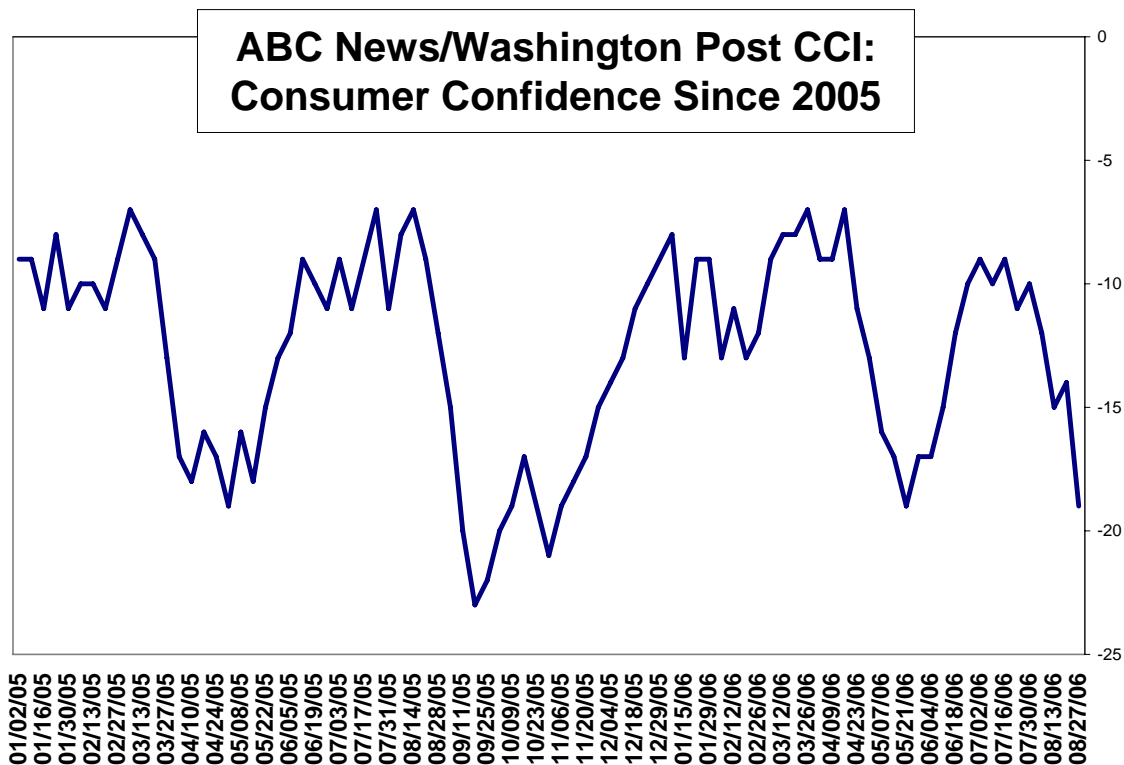
## **Confidence Drops to Match 2006 Low**

Pushed by weakening ratings of the national economy, consumer confidence fell sharply this week to match its 2006 low.

The ABC News/Washington Post Consumer Comfort Index dropped five points to -19 on its scale of +100 to -100, tying the 2006 low it set in mid-May. That's an unusually steep one-week fall; the index has lost five or more points in a single week just 26 times in the last 20 years. It's now 10 points below its long-term average.

The CCI is based on Americans' ratings of the national economy, the buying climate and their personal finances. Leading this week's fall are sagging ratings of the economy: Just 33 percent of Americans now say the economy's in good shape, down four points from last week and seven points from early July.

Four consecutive months of weak job growth may be a factor. This month's employment report, out Friday, bears watching.

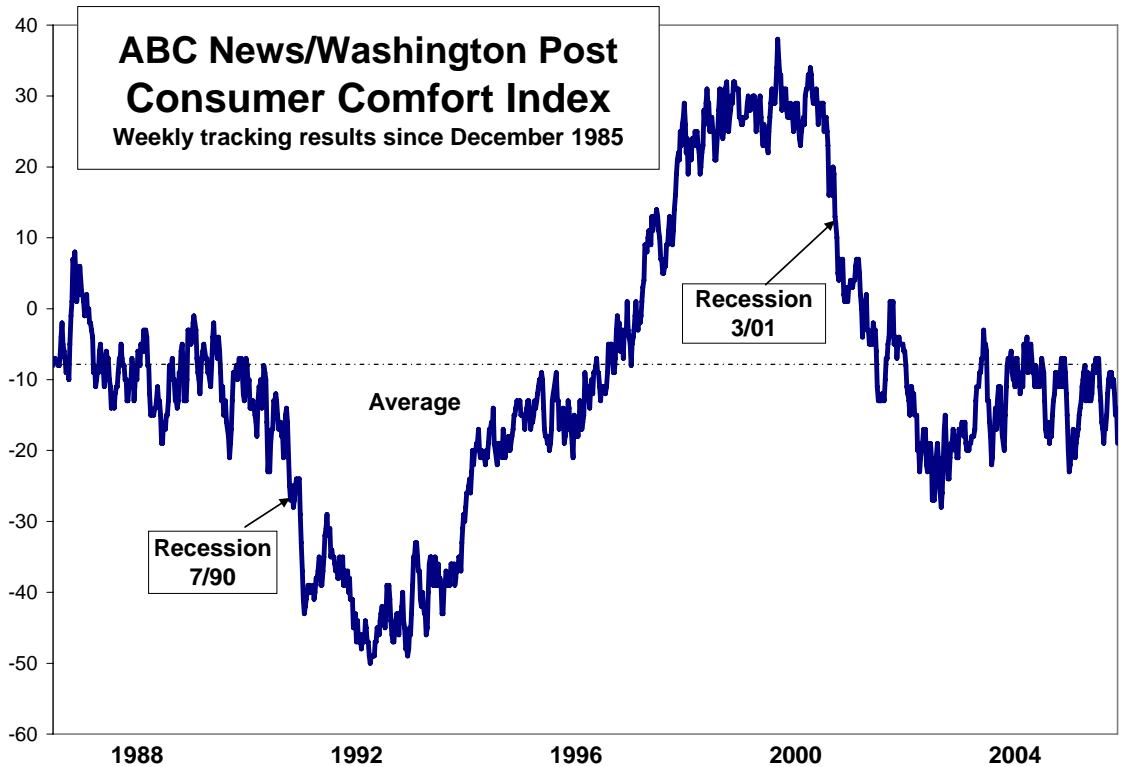


INDEX – In the CCI's other components, 32 percent call it a good time to buy things, essentially unchanged from last week but down seven points from early July. Ratings of personal finances have been more stable; they're at 57 percent this week, matching their long-term average.

ABC News/Washington Post CCI				
Positive ratings of:	This week	Last week	2006 avg.	20-yr. avg.
National economy	33	37	38	40
Buying climate	32	33	36	38
Personal finances	57	59	58	57
Consumer Comfort Index	-19	-14	-12	-9

TREND – At -19, the CCI is seven points below its average so far this year, and, as noted, 10 points below its average in weekly polls since December 1985. It had been falling this summer amid rising gas prices, but leveled off last week as prices began to ease.

The CCI has been as high as -7 in 2006, first in March and then again in April. Its all-time high was +38 in January 2000; its record low, -50 in February 1992.



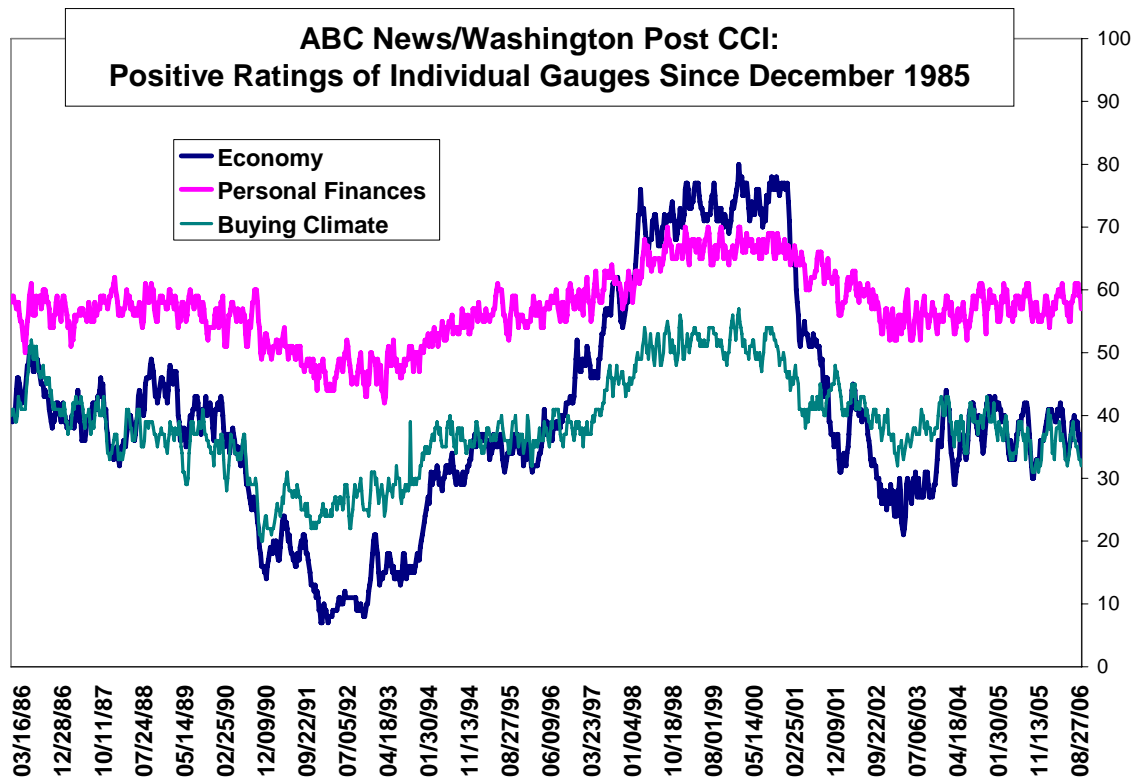
ABC/Post CCI	
This week	-19
Last week	-14
Six weeks ago	-9
2006 high	-7 April 16, March 26
2006 low	-19 Aug. 27, May 21

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
Average since 12/85	-9	

GROUPS – As usual, the index is higher in better-off groups. It's +31 among higher-income Americans while -66 among those with the lowest incomes, -9 among college graduates while -33 among those who haven't finished high school, -12 among whites but -54 among blacks and -3 among men while -32 among women.

The index continues to be best in the West, at -1, compared with -17 in the South, -26 in the Midwest and -30 in the Northeast. The index is also much better among Republicans (+23), than it is among independents (-25) or, especially, Democrats (-35).

Since mid-July, the index has lost ground particularly among women, younger Americans, blacks and people living in the Northeast and Midwest.



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

NATIONAL ECONOMY – Thirty-three 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	33	4	29	67	41	26
Avg. since 12/85	40	3	37	60	40	20

PERSONAL FINANCES – Fifty-seven percent say their own finances are excellent or good; it was 59 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	57	6	51	43	30	13
Avg. since 12/85	57	5	52	43	30	13

BUYING CLIMATE – Thirty-two percent say it's an excellent or good time to buy things; it was 33 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	32	3	29	68	44	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 Aug. 27, 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 Dalia Sussman.

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

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

08/27/06	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	-19	-14	-10	-17	-12	-7	-23	-13
State of Economy	-34	-26	-22	-32	-26	-16	-40	-26

Personal Finances	14	18	22	14	18	22	8	15
Buying Climate	-36	-34	-30	-34	-28	-18	-38	-30

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OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:								
Men	-3	4	6	-8	-2	7	-14	-2
Women	-32	-30	-25	-26	-19	-11	-36	-23
Age:								
18 - 34	-24	-14	-4	-15	-12	1	-28	-10
35 - 44	-7	-6	-14	-14	-2	5	-27	-11
45 - 54	-18	-17	-21	-25	-17	-6	-31	-18
55 - 64	-25	-19	-10	-12	-14	0	-36	-14
65+	-13	-14	-6	-22	-12	-1	-31	-16
Income:								
Under \$15K	-66	-69	-65	-61	-58	-33	-72	-55
\$15K To \$24.9K	-62	-51	-44	-55	-30	-28	-65	-46
\$25K To \$39.9K	-19	-3	-7	-24	-26	-3	-44	-26
\$40K To \$49.9K	-23	-20	-6	-36	-13	26	-41	-13
Over \$50K	7	8	13	13	18	26	4	16
\$50K To \$74.9K	-11	-17	-9	-4	8	17	-20	1
\$75K To \$99.9K	8	11	22	17	12	31	-1	16
Over \$100K	31	42	29	30	34	50	18	34
Region:								
Northeast	-30	-26	-13	-15	-22	-3	-41	-19
Midwest	-26	-17	-13	-27	-6	-4	-29	-16
South	-17	-15	-17	-18	-9	-3	-27	-15
West	-1	3	6	-8	-9	7	-19	-3
Race:								
White	-12	-9	-7	-11	-3	-1	-18	-8
Black	-54	-47	-38	-49	-52	-27	-57	-43
Politics:								
Republican	23	18	24	26	31	38	9	26
Democrat	-35	-30	-34	-42	-33	-27	-46	-36
Independent	-25	-20	-19	-25	-21	-10	-31	-20
Education:								
< High School	-33	-42	-53	-52	-25	-23	-63	-43
High Sch. Grad.	-25	-19	-14	-24	-24	-13	-35	-22
College +	-9	-2	4	-2	2	12	-9	1
Home:								
Own	-12	-7	-3	-8	-4	2	-17	-6
Rent	-34	-30	-29	-39	-31	-25	-49	-34
Marital Status:								
Single	-32	-24	-12	-27	-18	-4	-32	-17
Married	-4	1	2	-7	0	8	-14	-3
Sep/Wid/Div	-36	-37	-44	-31	-30	-22	-49	-35
Employ. Status:								
Full-Time	-12	-8	-5	-7	-4	6	-13	-4
Part-Time	-23	-15	-10	-26	-13	-1	-29	-16
Not Employed	-24	-22	-18	-29	-21	-15	-43	-24

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