

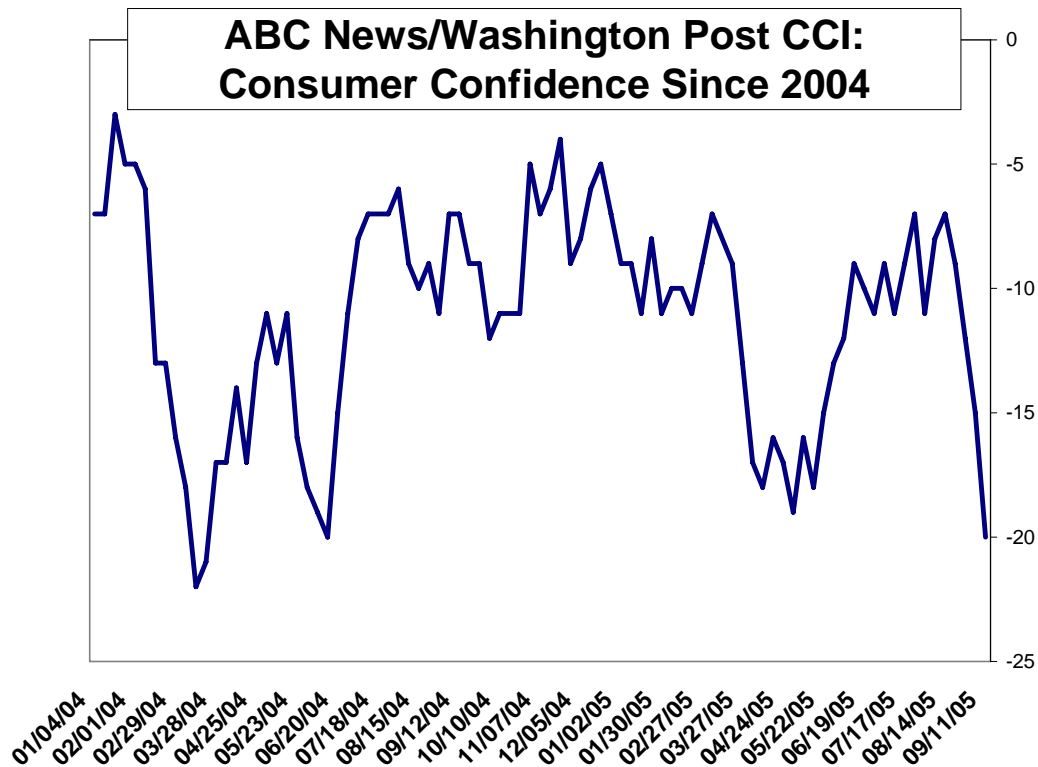
Consumer Confidence Falls Steeply in the Wake of Hurricane Katrina

Consumer confidence fell steeply this week, especially in the South, extending a month-long decline that's pushed economic views to their glumpest in more than a year.

Just 32 percent of Americans now rate the national economy positively, down 10 points since early August to the fewest since April 2004. As few call it a good time to spend money, down six points in the last month to the fewest in two and a half years.

All told, the ABC News/Washington Post Consumer Comfort Index has lost a total of eight points since Hurricane Katrina made landfall two weeks ago. It's fallen this far in two weeks only 11 times previously in more than 1,000 weeks of ongoing polling.

Confidence nationally is now its lowest since June 2004. And in the South, where the index has fallen by 15 points since Katrina smashed ashore, it's its lowest since late 2003.



INDEX – The ABC/Post CCI nationally stands now at -20 on its scale of +100 to -100, down five points this week alone and down 13 points in the last month. In addition to

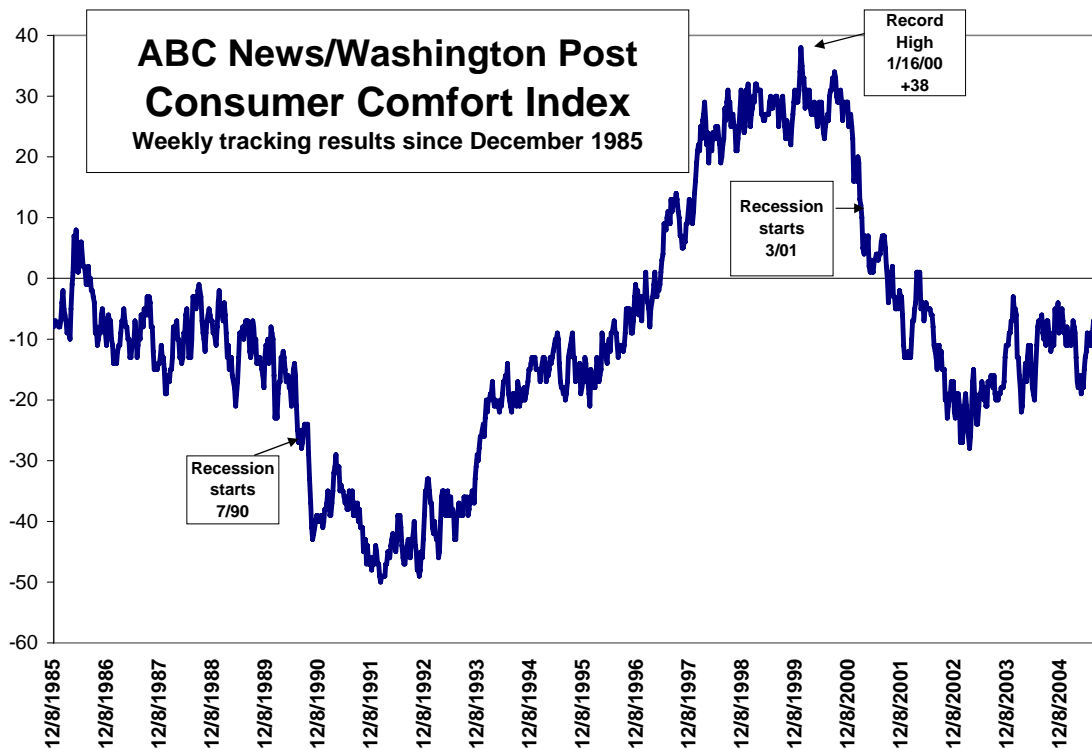
Katrina, confidence has suffered from higher gasoline prices; gas eased by 11 cents a gallon this week but remains within sight of its all-time high.

In a separate ABC/Post poll yesterday, two-thirds of Americans said gas prices were causing them financial hardship. And as noted, positive ratings of the buying climate, often sensitive to gas prices, are their lowest since February 2003.

Ratings of personal finances, the third gauge that makes up the ABC/Post CCI, are down by five points in the last three weeks. Fifty-six percent say their own finances are good, the fewest since this past May.

ABC News/Washington Post CCI				
Positive ratings of:	This week	Last week	2005 avg.	19-yr. avg.
National economy	32%	34	38	40
Buying climate	32	36	36	39
Personal finances	56	58	58	57
Consumer Comfort Index	-20	-15	-12	-9

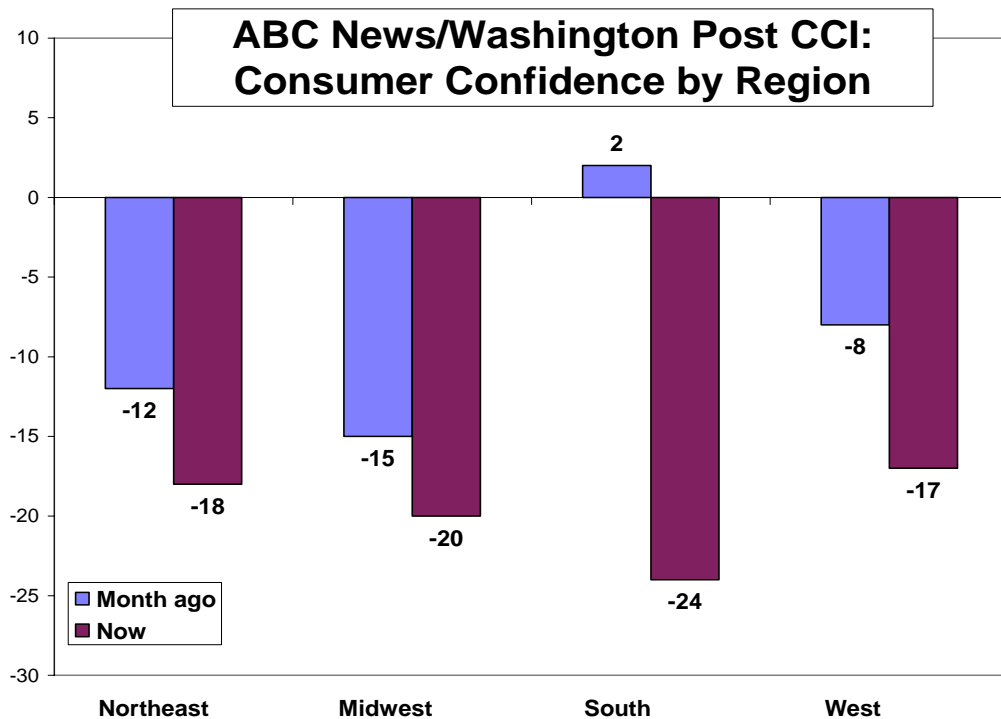
TREND – At -20, the index well below its average this year, -12, and its long-term average, -9 since December 1985. It reached an all-time high of +38 in January 2000 and an all-time low of -50 in February 1992. This year it's been as high as -7, most recently a month ago, and its previous low was -19, in early May.



Today
 ABC/Post CCI
 -20

Last week	-15	
Four weeks ago	-7	
2005 low	-20	Sept. 11
2005 high	-7	Aug. 14, July 24, March 6
2005 average	-12	
2004 average	-11	
2003 average	-19	
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	

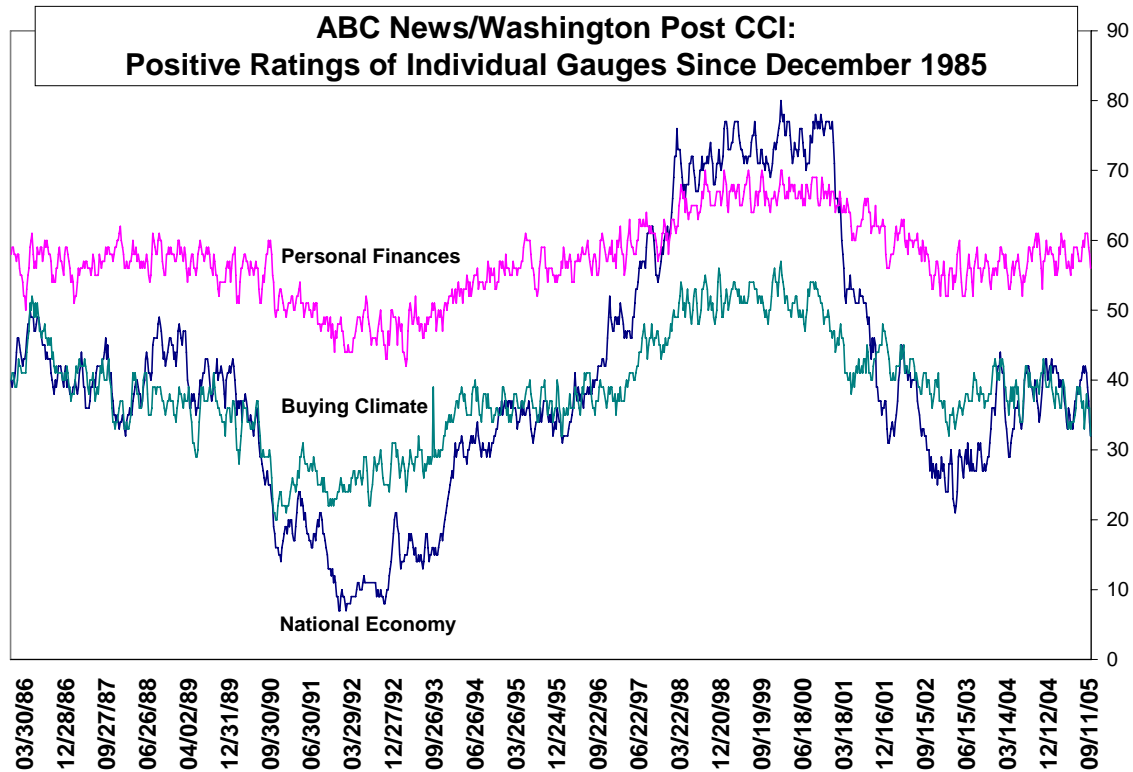
GROUPS – As noted, during the past four weeks the index has declined particularly in the South, dropping from +2 to -24 since Aug. 14. This decline started before the hurricane but has accelerated in Katrina’s aftermath.



In addition to the South, the CCI is the worst it’s been in at least a year – and in some cases much longer – among women, whites, those with at least high school diplomas, full-time workers and people who rent their homes.

	ABC/Post CCI	
Women	-27	lowest since 3/21/04
South	-24	lowest since 11/16/03
White	-15	tied with 5/15/05 as lowest since 6/6/04
HS Grad	-33	lowest since 5/11/03
College	-6	tied with 5/1/05 as lowest since 3/28/04
Rent	-49	lowest since 10/3/93

As usual, the index is comparatively higher in better-off groups. It's +25 among higher-income Americans while -56 among those with the lowest incomes, -6 among college graduates while -43 among those who haven't finished high school, -15 among whites but -45 among blacks and -14 among men while -27 among women.



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

NATIONAL ECONOMY – Thirty-two percent of Americans rate the economy as excellent or good; it was 34 percent last week and 41 percent three weeks ago. 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	32	3	29	68	41	27
Avg. since 12/85	40	3	37	60	40	20

PERSONAL FINANCES – Fifty-six percent say their own finances are excellent or good; it was 58 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	56	6	50	44	31	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; last week it was 36 percent. 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	2	30	68	43	25
Avg. since 12/85	39	3	36	61	41	20

CORRECTION – Because of a data processing error, the overall CCI was misreported at -14 last week rather than the correct -15, and the personal finances index was reported as +17 rather than the correct +16. This week’s report reflects the corrected numbers.

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 September 11, 2005. 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.

The Washington Post replaced Money magazine as cosponsor of this index at the start of this year. The survey methodology remains the same.

Analysis by Jon Cohen.

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

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

09/11/05	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	-20	-15	-7	-9	-7	-4	-20	-11
State of Economy	-36	-32	-18	-22	-22	-14	-36	-23
Personal Finances	12	16	22	18	22	22	6	16
Buying Climate	-36	-28	-24	-22	-22	-14	-36	-25
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	OVERALL INDEX BY DEMOGRAPHIC GROUPS							
Sex:								
Men	-14	-7	3	0	-2	9	-16	-2
Women	-27	-21	-15	-15	-13	-13	-27	-19
Age:								
18 - 34	-22	-14	-2	-6	-7	3	-23	-8

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

END