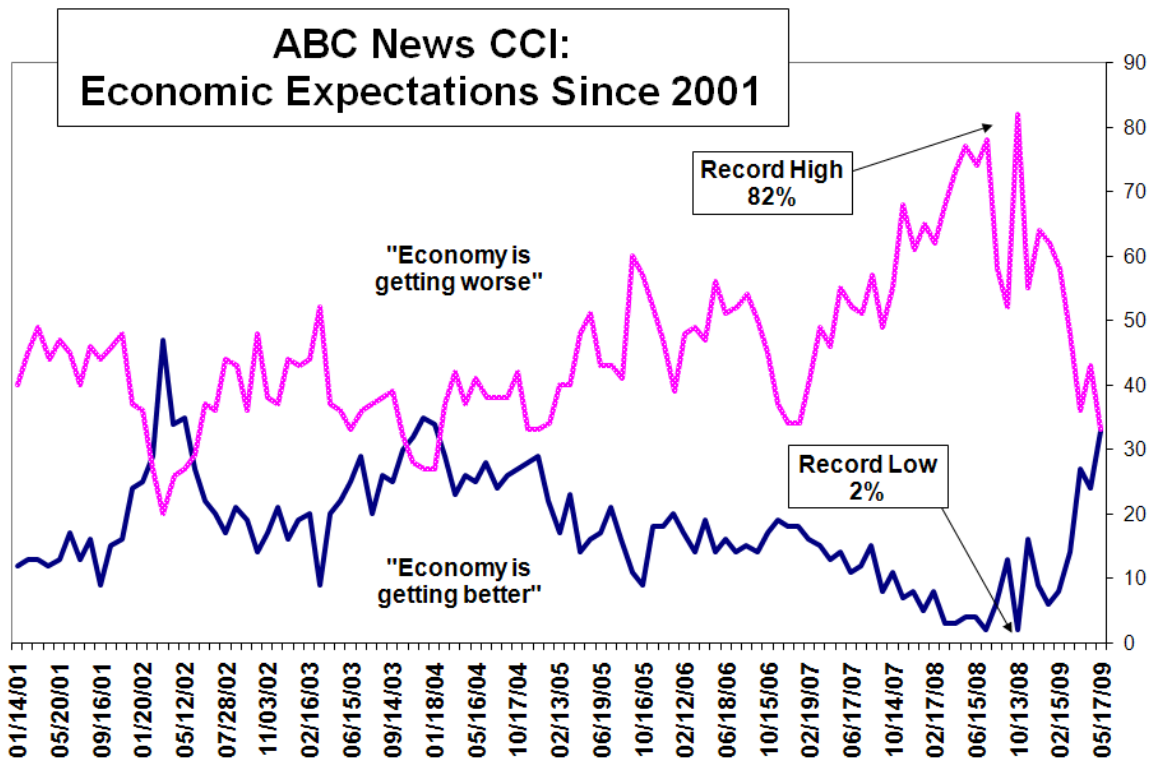


Economic Optimism at a 5-Year High, Even as Current Conditions Stay Grim

Economic optimism hit a five-year high this week, even as consumer ratings of current economic conditions reversed their recent positive trend.

A third of Americans now say they economy's improving, matching the number who say it's getting worse – the first time since January 2004 there've been as many economic optimists as pessimists. The change is striking: The number who say the economy's worsening has plummeted from 82 percent in October, a 28-year high, to 33 percent now. Optimism meanwhile has grown by 31 points.



The shift is especially striking because economic pessimists have outnumbered optimists by 21 points on average in ABC News polls since 1981. Rarely have optimists equaled pessimists, as now, or exceeded them – just 46 times in 290 individual polls. And economic optimism now stands 14 points above its long-term average.

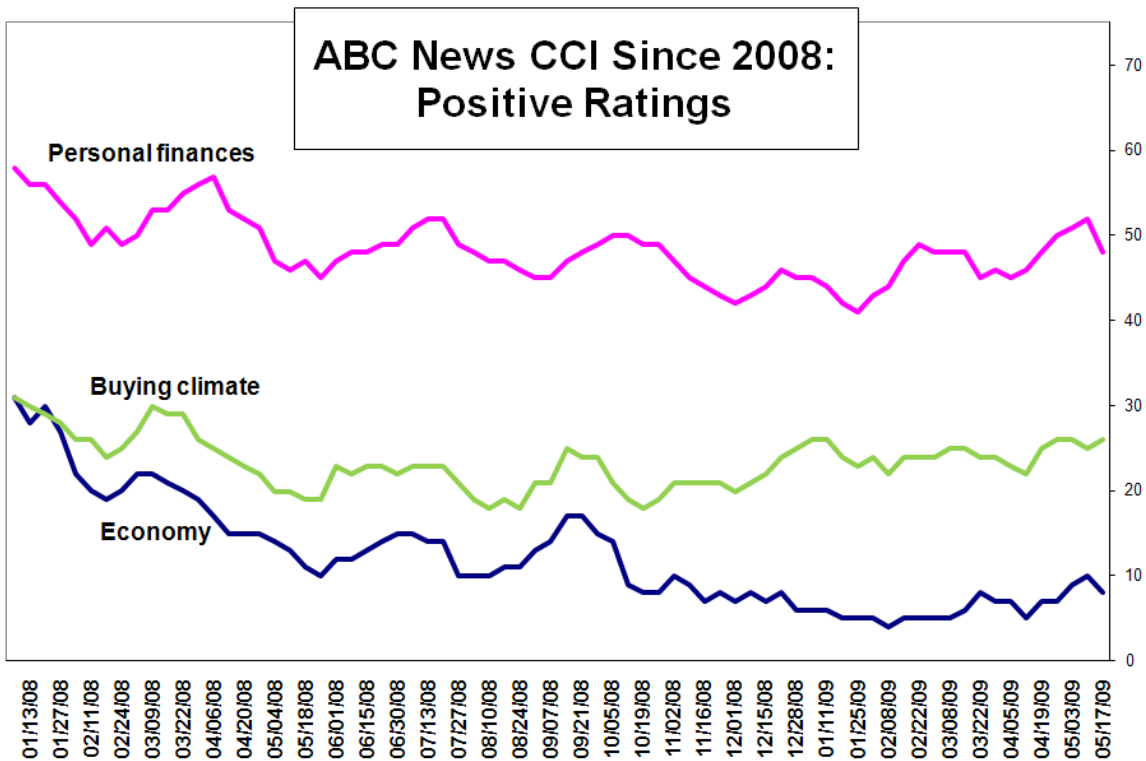
The 33 percent who say the economy is getting worse is below a majority for the third consecutive month (a first in two years) and down 10 points just since last month.

The change has a partisan tint: Optimism has risen by 35 points among Democrats and 32 points among independents since October, compared with a 14-point gain among Republicans. The increases have also been sharpest among men and younger adults.

	Economy's direction		
	Better	Worse	Same
5/17/09	33%	33	33
4/11/09	24	43	32
3/29/09	27	36	36
3/15/09	14	48	36
2/15/09	8	58	31
1/19/09	6	62	31
12/15/08	9	64	25
11/16/08	16	55	28
10/13/08	2	82	13

CURRENT INDEX – Ratings of current economic conditions are another matter. The ABC News Consumer Comfort Index, based on views of current conditions, stands at -45 on its scale of +100 to -100, halting four weeks of gains and 3 points from the 2009 high, -42 last week. Current sentiment is severely depressed; the CCI is just 9 points from its worst, -54 in January, and 34 points below the index's 23-year average.

There's plenty of reason: Unemployment's 8.9 percent, the highest in 25 years. Gas prices are up 26 cents in the past month to an average of \$2.31 a gallon ahead of the summer driving season. And new home construction dropped 13 percent last month.



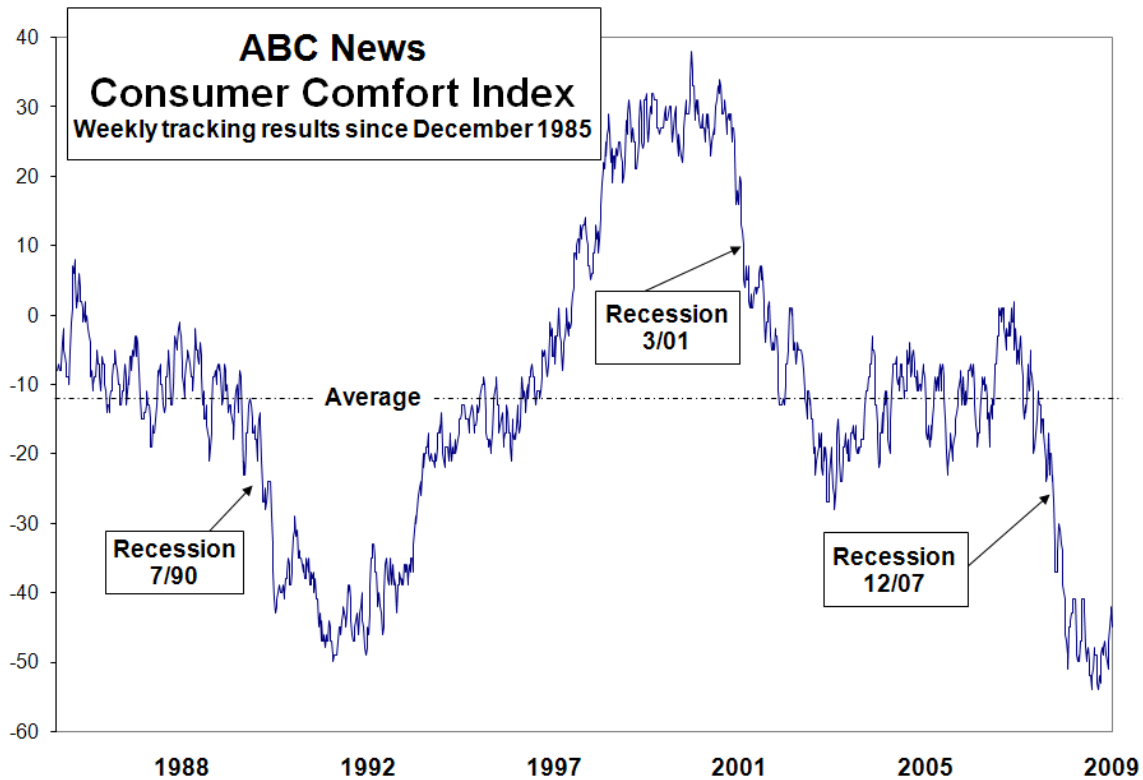
The CCI is based on Americans' current ratings of the national economy, the buying climate and their personal finances. Only 8 percent rate the economy positively, in single digits for 30 of the last 32 weeks and 30 points below the long-term average.

Twenty-six percent say it's a good time to buy things, essentially unchanged the last five weeks, 11 points below the long-term average and just 8 points above the record low in October and August.

Positive ratings of personal finances, usually the strongest of the three measures, slipped to 48 percent this week after inching above the 50-percent mark the previous two weeks. The current measure is 9 points below the long-term average.

ABC News CCI			Averages	
Positive ratings of:	This week	Last week	2009	'85-'09
National economy	8%	10	6	38
Buying climate	26	25	24	37
Personal finances	48	52	47	57
Consumer Comfort Index	-45	-42	-49	-11

TREND – At -45 or better for four weeks, the index is on its best run since October – but that's hardly reason to celebrate. The CCI has been below -40 for a record 56 weeks and hasn't seen positive territory in over two years. Its average of -49 this year compares with a best yearlong average of +29 in 2000 and best week of +38 in January 2000.



	ABC News	CCI
This week	-45	
Last week	-42	2009 high
2009 low	-54	Jan. 25, record low
2009 average	-49	
2000 average	+29	Best full year
1992 average	-44	Worst full year
Jan. 16, 2000	+38	Record high
Average since 12/85	-11	

GROUPS – As usual, the CCI is higher among better-off Americans, but negative across groups for the 12th straight week.

It's -14 among those with the highest incomes but -77 among those with the lowest (the worst since March), -37 among those who've attended college vs. -55 among high school dropouts (the best since March), -33 among men while -57 among women (the worst since February), -43 among homeowners compared with -51 among renters and -41 among whites vs. -60 among blacks.

Partisan differences remain: The index is -32 among Republicans vs. -54 among Democrats and -42 among independents. But that 22-point Republican-Democratic gap is half what it was on average last year, because the CCI's worsened among Republicans.

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

NATIONAL ECONOMY – Eight percent of Americans rate the economy as excellent or good; it was 10 percent last week. The highest was 80 percent Jan. 16, 2000. The worst was 4 percent Feb. 8.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	8	1	7	92	45	47
Avg. since 12/85	38	3	35	62	40	22

PERSONAL FINANCES – Forty-eight percent say their own finances are excellent or good; it was 52 percent last week. The best was 70 percent, last reached in January 2000. The worst was 41 percent Jan. 25.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	48	5	43	52	36	16
Avg. since 12/85	57	5	52	43	30	13

BUYING CLIMATE – Twenty-six percent say it's an excellent or good time to buy things; it was 25 percent last week. The best was 57 percent on Jan. 16, 2000. The worst was 18 percent Oct. 19, Aug. 10 and Aug. 24, 2008.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	26	4	22	74	43	31
Avg. since 12/85	37	3	35	63	41	21

METHODOLOGY – Interviews for the ABC News 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 May 17, 2009. The results have a 3-point error margin. The expectations question was asked of 500 respondents May 6-17, 2009; that result has a 4.5-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 Peyton M. Craighill.

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

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

05/17/09	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	-45	-42	-47	-49	-49	-41	-54	-48
State of Economy	-84	-80	-86	-90	-78	-66	-92	-81
Personal Finances	-4	4	-4	-6	-6	4	-18	-6
Buying Climate	-48	-50	-50	-52	-62	-48	-64	-55

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-33	-28	-42	-45	-43	-28	-49	-42
Women	-57	-54	-50	-51	-53	-39	-59	-52
Age:								
18 - 34	-35	-32	-36	-52	-51	-32	-60	-46
35 - 44	-51	-45	-54	-35	-46	-27	-62	-46
45 - 54	-51	-50	-42	-49	-50	-31	-61	-49
55 - 64	-56	-43	-53	-55	-44	-40	-64	-50
65+	-42	-46	-55	-49	-47	-31	-56	-46
Income:								
Under \$15K	-77	-75	-66	-80	-77	-51	-87	-74
\$15K To \$24.9K	-51	-41	-67	-69	-59	-41	-83	-67
\$25K To \$39.9K	-56	-56	-68	-63	-55	-47	-71	-60
\$40K To \$49.9K	-68	-52	-38	-56	-59	-16	-68	-48
Over \$50K	-24	-22	-28	-27	-30	-17	-41	-28
\$50K To \$74.9K	-30	-24	-42	-54	-54	-24	-54	-40
\$75K To \$99.9K	-28	-35	-24	-39	-34	-14	-52	-31
Over \$100K	-14	-8	-16	5	-7	5	-34	-13
Region:								
Northeast	-58	-54	-45	-54	-55	-42	-62	-53

Midwest	-47	-48	-54	-48	-41	-31	-58	-46
South	-46	-45	-45	-51	-45	-39	-59	-48
West	-33	-19	-41	-40	-54	-19	-56	-42
Race:								
White	-41	-39	-46	-46	-45	-35	-50	-44
Black	-60	-57	-53	-58	-69	-46	-81	-63
Politics:								
Republican	-32	-32	-42	-28	-21	-10	-42	-27
Democrat	-54	-49	-46	-59	-64	-43	-70	-59
Independent	-42	-39	-49	-51	-50	-39	-55	-48
Education:								
< High School	-55	-61	-70	-63	-58	-50	-77	-64
High Sch. Grad.	-57	-52	-60	-57	-61	-38	-62	-52
College +	-37	-31	-33	-40	-37	-30	-50	-40
Home:								
Own	-43	-39	-44	-43	-43	-35	-49	-42
Rent	-51	-48	-54	-65	-60	-48	-80	-62
Marital Status:								
Single	-49	-38	-44	-56	-54	-34	-69	-51
Married	-35	-34	-42	-39	-38	-26	-46	-39
Sep/Wid/Div	-64	-64	-62	-63	-65	-52	-70	-63
Employ. Status:								
Full-Time	-34	-33	-40	-40	-36	-29	-47	-39
Part-Time	-40	-42	-56	-31	-63	-30	-66	-49
Not Employed	-59	-52	-49	-62	-56	-47	-66	-56

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

	Getting better	Getting worse	Staying the same	No opinion
5/17/09	33	33	33	1
4/11/09	24	43	32	2
3/29/09*	27	36	36	1
3/15/09	14	48	36	2
2/15/09	8	58	31	3
1/19/09	6	62	31	1
12/15/08	9	64	25	1
11/16/08	16	55	28	1
10/13/08	2	82	13	2
9/15/08	13	52	34	2
8/17/08	6	58	36	*
7/13/08	2	78	18	2
6/15/08	4	74	21	1

*ABC News/Washington Post poll
Call for full trend.

END