

ABC NEWS CONSUMER INDEX – 11/16/08

EMBARGOED FOR RELEASE AFTER 5 p.m. Tuesday, Nov. 18, 2008

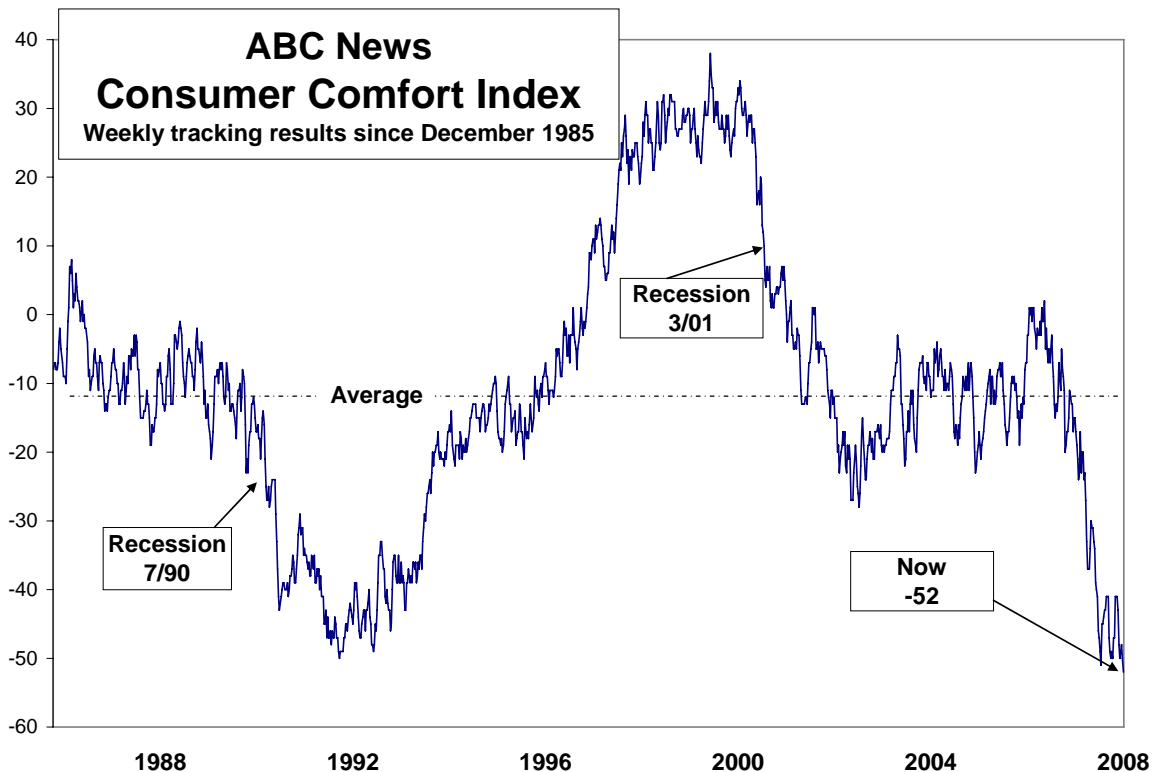
Consumer Confidence Drops To a Record 22-Year Low

Consumer confidence dropped this week to its lowest in 22 years of weekly polls by ABC News, hammered by the global economic crisis and threatening a grim holiday season for the nation's retailers.

ABC's Consumer Comfort Index stands at -52 on its scale of +100 to -100, down 4 points in two weeks to eclipse its previous low, -51 as gasoline prices soared last spring. It last approached these levels in the aftermath of the 1990-91 recession.

The index's long-term average, by contrast, is -11.

The new low caps a dramatic year-and-a-half free-fall in consumer views, with the index dropping from +2 in March 2007 to today's -52, its steepest decline on record. In that time positive ratings of the national economy have plummeted from 47 percent to today's 7 percent, tying the all-time low set in late 1991 and early 1992.



Ratings of personal finances have dropped from 64 percent positive to 44 percent in that 20-month period, less than a majority for 17 weeks straight and now 2 points from the record low. In grim news for retailers, ratings of the buying climate have dived from 42 percent positive to today's 21 percent, 3 points from the low this August and October.



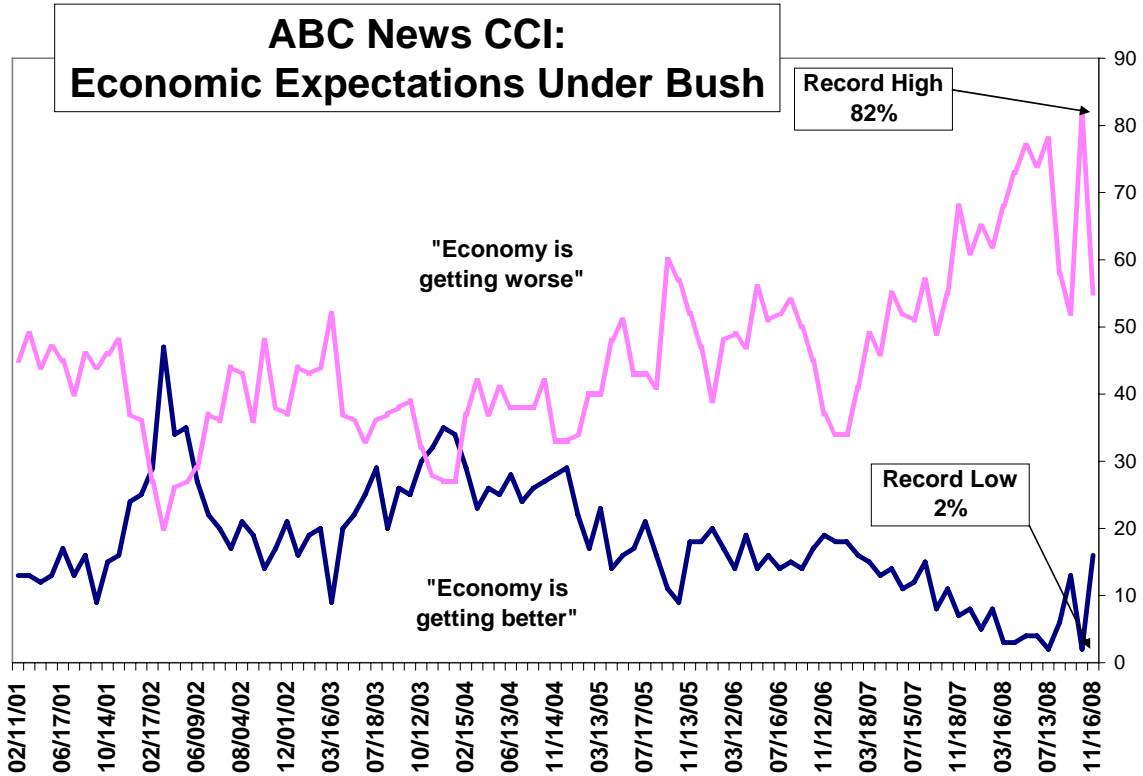
The culprit was gasoline prices when the index last set its record low in May; gas averaged \$3.94 per gallon and was rising steeply. This week gas is down by 84 cents in four weeks to \$2.07. But the struggling economy has blown that news aside.

EXPECTATIONS – A separate, forward-looking measure holds some slight hope: While just 16 percent say the economy's getting better, that's up from a scant 2 percent last month to its highest since February. And the 55 percent who say the economy still is getting worse has eased from a highly unusual spike, to 82 percent, as the financial crisis initially took hold.

With 93 percent saying the economy already is in bad shape – including 62 percent who say it's in "poor" condition – there's not much to celebrate in expectations.

	Economy's direction		
	Better	Worse	Same
11/16/08	16%	55	28
10/13/08	2	82	13
9/15/08	13	52	34
8/17/08	6	58	36
7/13/08	2	78	18
6/15/08	4	74	21

5/11/08	4	77	18
4/13/08	3	73	22
3/16/08	3	68	28
2/17/08	8	62	29
1/13/08	5	65	29
12/16/07	8	61	28
11/18/07	7	68	25

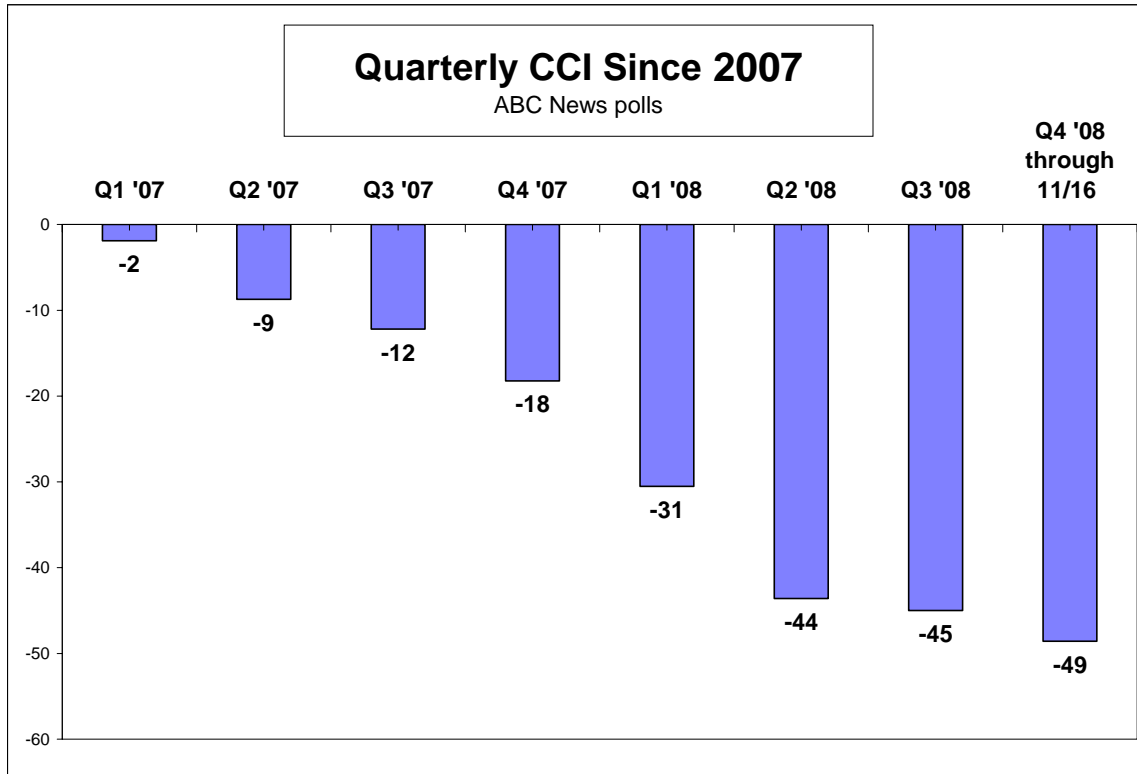


INDEX – The CCI, as noted, is based on Americans’ ratings of their current finances, the national economy and the buying climate. Positive ratings of the economy are down by 24 points this year and 32 points off the long-term average. Ratings of the buying climate are down 10 points on the year and 17 points off the long-term average.

Ratings of personal finances, traditionally the index’s strongest component, are down 6 points in just the last five weeks, 14 points on the year and 13 points off their average.

Positive ratings of:	ABC News CCI		Averages	
	This week	Last week	2008	'85-'08
National economy	7%	9	16	39
Buying climate	21	21	23	38
Personal finances	44	45	50	57
Consumer Comfort Index	-52	-50	-41	-11

TREND – The index has followed a dismal course since the start of 2007, but particularly so this year. It began 2008 at -20, tumbled to its then-record low of -51 in May, then bobbed up to -41 twice, but fell back each time, to -50 in August and its new -52 now.



The index has averaged -41 so far this year, surpassed only by its -44 in 1992. Those compare to its best year, +29 in 2000, and its best week, +38 in January 2000.

	ABC News CCI	
This week	-52	Record low
Last week	-50	
2008 high	-20	Jan. 6
2008 average	-41	
2000 average	+29	Best full year
1992 average	-44	Worst full year
Jan. 16, 2000	+38	Record high
Average since 12/85	-11	

GROUPS – The CCI is negative across demographic groups for the 21st week straight, but there are differences, chiefly by economic attainment. It's -27 among those with the highest incomes compared with -77 among those with the lowest, -42 among people who've been to college vs. -72 among high-school dropouts and -76 among blacks vs. -48 among whites. The index is -66 among the unemployed, the lowest since June 1990, compared with -36 among full-time workers; and -72 among renters vs. -44 among homeowners.

Sharp partisan differences remain: The index is -70 among Democrats, the lowest on record, -54 among independents and -22 among Republicans, who tend to be better off.

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

NATIONAL ECONOMY – Seven percent of Americans rate the economy as excellent or good, tying the previous low, 7 percent in late 1991 and early 1992; it was 9 percent last week. The highest was 80 percent on Jan. 16, 2000.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	7	1	6	93	31	62
Avg. since 12/85	39	3	36	61	40	21

PERSONAL FINANCES – Forty-four percent say their own finances are excellent or good; it was 45 percent last week. The best was 70 percent, last reached in January 2000. The worst was 42 percent on March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	44	6	38	56	39	17
Avg. since 12/85	57	5	52	43	30	13

BUYING CLIMATE – Twenty-one percent say it's an excellent or good time to buy things; same as last week. The best was 57 percent on Jan. 16, 2000. The worst was 18 percent on Oct. 19 and Aug. 24 of this year.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	21	4	17	79	48	31
Avg. since 12/85	38	3	35	62	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 Nov. 16, 2008. The results have a 3-point error margin. The expectations question was asked of 500 respondents Nov. 5-16, 2008; 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 Scott F. Clement.

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

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

11/16/08	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	-52	-50	-50	-49	-19	-17	-52	-38
State of Economy	-86	-82	-84	-78	-34	-34	-86	-65
Personal Finances	-12	-10	-2	-6	12	18	-12	1
Buying Climate	-58	-58	-64	-62	-36	-36	-64	-52

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-48	-46	-42	-49	-15	-7	-49	-32
Women	-54	-52	-57	-48	-22	-22	-57	-43
Age:								
18 - 34	-46	-45	-48	-52	-14	-2	-58	-34
35 - 44	-48	-50	-50	-49	-16	-16	-58	-38
45 - 54	-60	-49	-54	-49	-23	-17	-60	-39
55 - 64	-55	-58	-44	-46	-23	-21	-64	-42
65+	-51	-47	-52	-45	-22	-22	-53	-41
Income:								
Under \$15K	-77	-68	-81	-66	-69	-34	-87	-69
\$15K To \$24.9K	-71	-83	-80	-76	-52	-39	-83	-61
\$25K To \$39.9K	-54	-48	-61	-59	-29	-17	-67	-50
\$40K To \$49.9K	-55	-52	-55	-45	-29	1	-59	-38
Over \$50K	-35	-29	-26	-30	7	7	-35	-19
\$50K To \$74.9K	-34	-30	-40	-45	-11	-6	-57	-34
\$75K To \$99.9K	-48	-36	-34	-29	25	25	-48	-20
Over \$100K	-27	-22	-4	-15	11	18	-27	-3
Region:								
Northeast	-58	-58	-57	-55	-20	-17	-61	-43
Midwest	-52	-46	-48	-37	-15	-15	-53	-37
South	-44	-42	-46	-51	-30	-17	-53	-39
West	-56	-55	-53	-49	-3	-3	-56	-33
Race:								
White	-48	-47	-46	-44	-16	-16	-48	-36
Black	-76	-68	-67	-80	-51	-20	-80	-57
Politics:								
Republican	-22	-21	-29	-23	4	23	-29	-9
Democrat	-70	-64	-63	-63	-29	-29	-70	-54
Independent	-54	-54	-51	-50	-28	-21	-55	-42
Education:								
< High School	-72	-76	-73	-65	-24	-24	-77	-57
High Sch. Grad.	-57	-54	-51	-57	-31	-16	-61	-44
College +	-42	-39	-43	-40	-9	-6	-43	-29
Home:								
Own	-44	-41	-44	-43	-11	-10	-45	-33
Rent	-72	-73	-69	-67	-39	-25	-73	-52
Marital Status:								
Single	-56	-57	-56	-63	-20	-13	-65	-40
Married	-45	-42	-42	-38	-8	-6	-45	-29
Sep/Wid/Div	-65	-61	-63	-61	-48	-48	-67	-59
Employ. Status:								

Full-Time	-36	-33	-38	-43	-13	-10	-47	-30
Part-Time	-50	-48	-63	-57	-20	-8	-66	-38
Not Employed	-66	-65	-61	-52	-28	-27	-66	-48

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
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
5/11/08	4	77	18	1
4/13/08	3	73	22	1
3/16/08	3	68	28	2
2/17/08	8	62	29	1
1/13/08	5	65	29	1
12/16/07	8	61	28	3
11/18/07	7	68	25	1

Call for full trend.

END