ABC NEWS CONSUMER INDEX – 2/24/08
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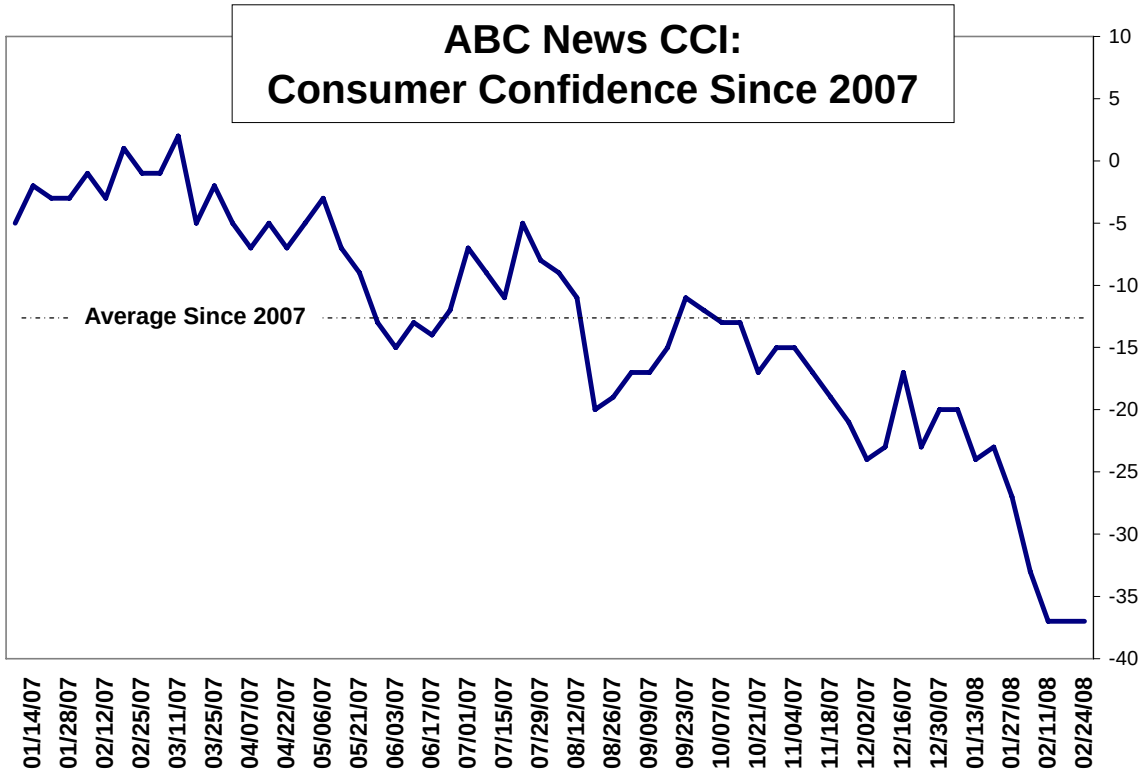
Confidence Flat and Low; Personal Finances Weak

Shaky ratings of personal finances and weakened sentiment in higher-income households are helping keep consumer confidence flat and low, at its worst in 14 years.

The ABC News Consumer Comfort Index stands at -37 on its scale of +100 to -100, steady for three weeks at its lowest since November 1993. The only glimmer is that after a steep 14-point drop from late January to mid-February, it's flattened out.

Among other reasons for concern, the index this week is -8 among people with household incomes over $100,000, a new low in three years of tracking that income group and only the second time it's been in the negative zone. The previous was two weeks ago.

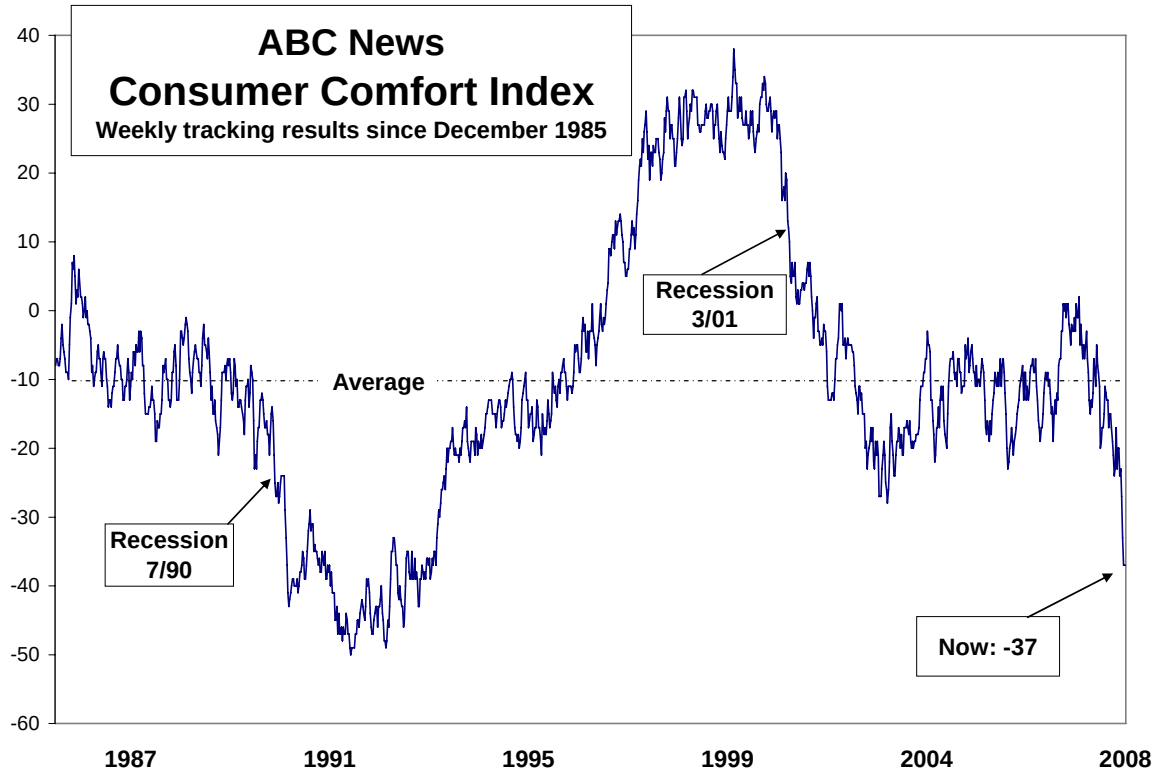
There's other grim news on the economic front: Inflation today was reported as up 7.4 percent the last year, its fastest increase since 1981; and home values in major markets were reported down 9 percent, their biggest drop in 20 years.



INDEX – The ABC index is based on Americans' ratings of their current finances, the national economy and the buying climate. This week just 49 percent rate their finances positively, only the second time since 1993 it's dipped below half (the last was two weeks ago) and 7 points from the record low, 42 percent in March 1993.

Only a quarter call this a good time to buy things, about where it's been all February, down 6 points since the start of the year and 13 points below the long-term average since this weekly poll began in December 1985.

Fewer, 20 percent, rate the national economy positively, down 11 points this year and 20 points below its long-term average, 40 percent. Last week was its lowest since November 1993, 19 percent.



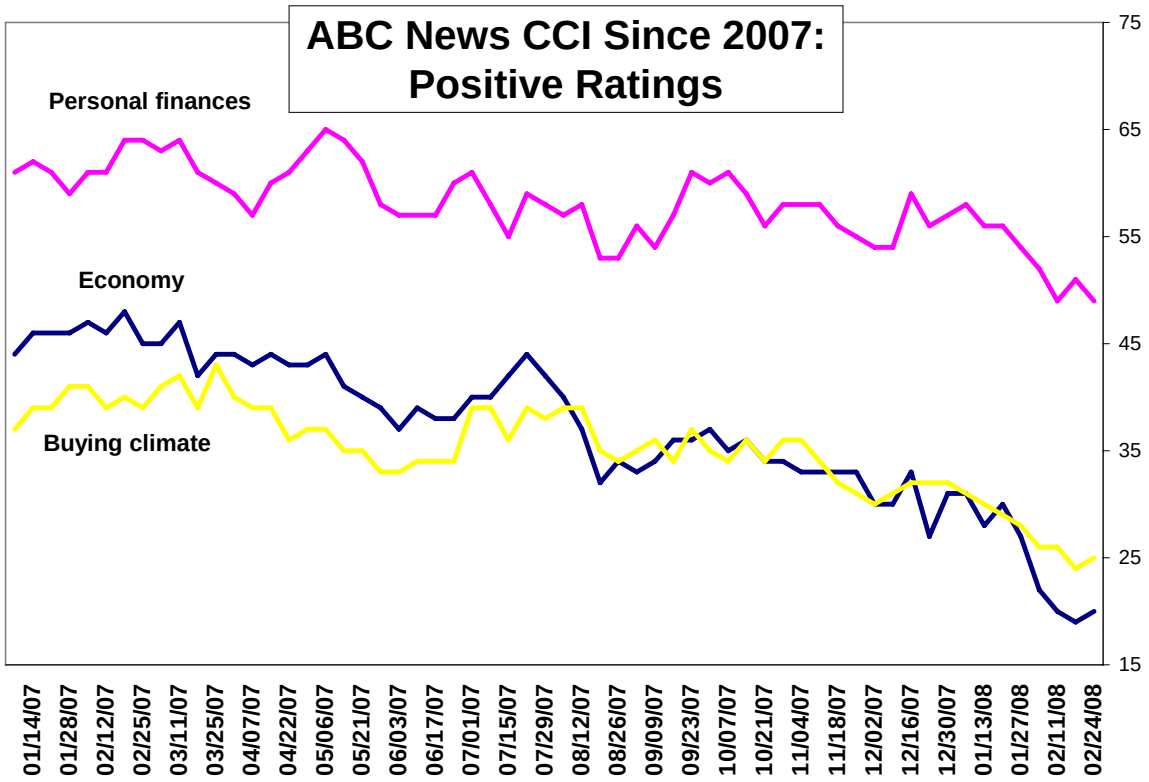
		ABC News CCI	Averages	
Positive ratings of:	This week	Last week	2007	'85-'08
National economy	20%	19	39	40
Buying climate	25	24	36	38
Personal finances	49	51	59	57
Consumer Comfort Index	-37	-37	-11	-10

TREND – The CCI has been below -30 for four weeks, the longest stint that low since November 1993. And it's been in negative double-digits 29 weeks straight, its longest run that low in five years.

The index fell by a significant margin in four out of five weeks in January and February; it's fallen that far, that fast just once before, in September to October 1990.

The index's average for 2008 so far is -30, well below its 2007 average, -11, and its long-term, 22-year average of -10. While 2008 has a long way to go, the last full year worse than the current average was -37 in 1993.

The index is far below its record high, +38 in January 2000, and closer to its all-time low, -50 in February 1992.



	ABC News CCI	
This week	-37	
Last week	-37	
2007 high	+2	March 11
2007 low	-24	December 2
2007 average	-11	
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	-10	

GROUPS – For the third week in a row there is no demographic group in which the index is positive. As noted, it's -8 among higher-income people, while -70 among those with the lowest incomes; -24 among those who've been to college while -58 among high-school dropouts; -36 among whites but -64 among blacks (its lowest since August 2003); and -25 among men while -48 among women.

Partisan differences remain; the index is -6 among Republicans, compared with -45 among independents and -52 among Democrats.

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

NATIONAL ECONOMY – Twenty percent of Americans rate the economy as excellent or good; it was 19 percent last week. The highest was 80 percent on Jan. 16, 2000. The lowest was 7 percent in late 1991 and early 1992.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	20	1	19	80	45	35
Avg. since 12/85	40	4	36	60	40	20

PERSONAL FINANCES – Forty-nine percent say their own finances are excellent or good; it was 51 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	49	4	45	51	36	15
Avg. since 12/85	57	5	52	43	30	13

BUYING CLIMATE – Twenty-five percent say it's an excellent or good time to buy things; it was 24 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	25	2	23	75	50	25
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 Feb. 24, 2008. 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 Peyton Craighill.

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

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02/24/08	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	-37	-37	-27	-21	-1	2	-27	-13
State of Economy	-60	-62	-46	-34	-10	-6	-46	-26
Personal Finances	-2	2	8	10	28	30	6	17
Buying Climate	-50	-52	-44	-38	-22	-14	-44	-29
OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-25	-27	-19	-10	7	12	-19	-5
Women	-48	-45	-35	-30	-9	-6	-35	-20
Age:								
18 - 34	-30	-31	-19	-10	-1	6	-32	-9
35 - 44	-39	-36	-27	-21	-12	3	-31	-13
45 - 54	-27	-36	-29	-20	-12	2	-29	-14
55 - 64	-48	-43	-36	-30	12	22	-36	-13
65+	-49	-45	-36	-30	7	7	-37	-17
Income:								
Under $15K	-70	-68	-53	-54	-43	-21	-70	-51
$15K To $24.9K	-47	-48	-46	-51	-32	-16	-58	-40
$25K To $39.9K	-58	-65	-49	-17	-26	-15	-49	-28
$40K To $49.9K	-24	-25	-35	-25	4	7	-47	-17
Over $50K	-18	-19	-6	0	25	30	-9	12
$50K To $74.9K	-33	-40	-28	-12	17	29	-28	-2
$75K To $99.9K	-7	-14	-4	-5	20	25	-19	8
Over $100K	-8	0	17	12	40	49	1	30
Region:								
Northeast	-41	-41	-38	-25	-4	11	-38	-19
Midwest	-25	-29	-30	-17	-12	2	-30	-18
South	-44	-39	-30	-27	9	9	-31	-12
West	-32	-36	-12	-8	-6	10	-21	-3
Race:								
White	-36	-35	-25	-19	3	5	-25	-9
Black	-64	-59	-40	-40	-33	-11	-54	-37
Politics:								
Republican	-6	-6	5	14	35	44	4	22
Democrat	-52	-52	-41	-33	-16	-15	-47	-30
Independent	-45	-44	-38	-30	-14	0	-40	-20
Education:								
< High School	-58	-53	-45	-36	-22	-13	-57	-37
High Sch. Grad.	-42	-48	-38	-28	-5	-3	-38	-21
College +	-24	-21	-14	-9	6	17	-14	2
Home:								
Own	-34	-33	-23	-11	6	9	-23	-6
Rent	-44	-49	-39	-43	-24	-12	-44	-30

Marital Status:								
Single	-40	-40	-25	-25	-11	-6	-39	-16
Married	-28	-26	-18	-7	12	17	-18	-2
Sep/Wid/Div	-56	-58	-53	-49	-25	-20	-56	-35
Employ. Status:								
Full-Time	-26	-27	-24	-11	10	13	-24	-4
Part-Time	-39	-36	-14	-30	6	6	-39	-14
Not Employed	-51	-48	-36	-32	-20	-7	-43	-23

END