

ABC NEWS CONSUMER INDEX – 12/8/08

EMBARGOED FOR RELEASE AFTER 5 p.m. Tuesday, Dec. 9, 2008

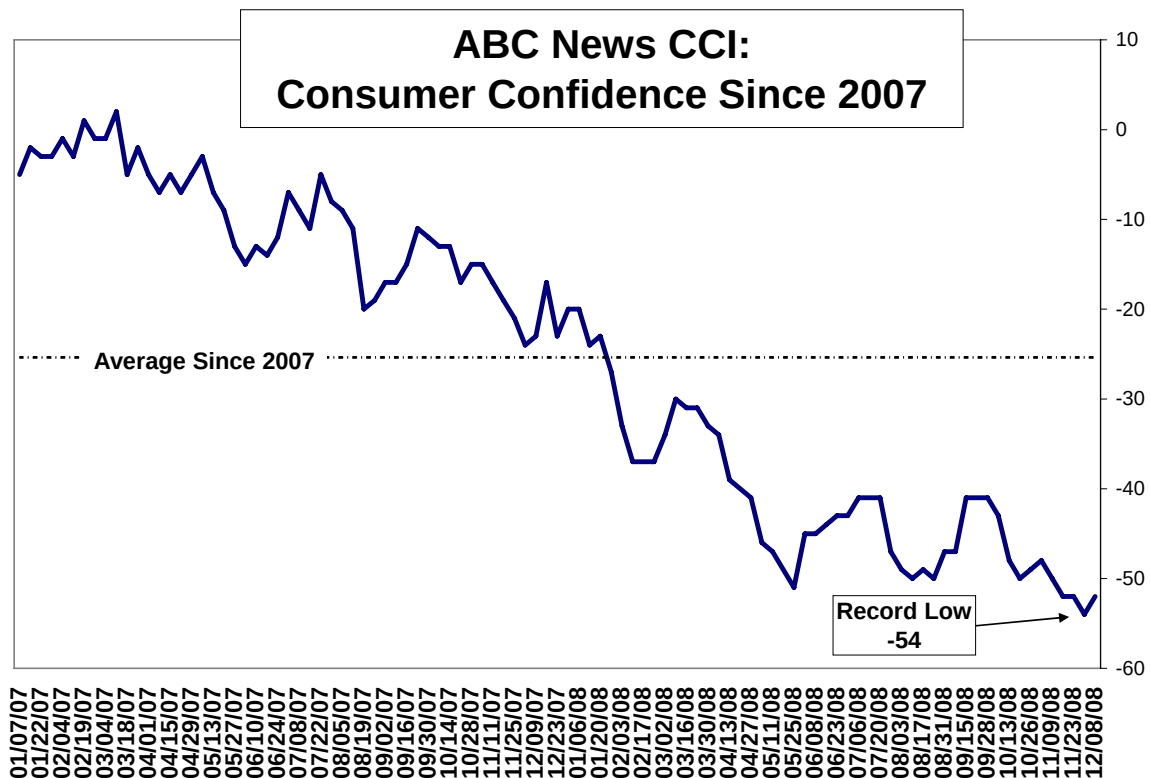
Confidence in A Record Slump

The weekly ABC News Consumer Comfort Index entered its 23rd year this week with consumer confidence mired at historic lows.

The CCI stands at -52 on its scale of +100 to -100, at or below -50 for an unprecedented fifth week straight. It's been this low only 10 times in almost 1,200 weekly polls – nine of them this year, and eight of them since August. Its new record low was -54 last week.

All three components of the index are hurting: Ninety-two percent of Americans say the national economy's in bad shape, 79 percent rate the buying climate negatively and 57 percent say their own finances aren't good.

The reasons are plentiful: Unemployment, at 6.7 percent, is its highest since October 1993; and the nation's employers cut more than half a million jobs in November, the most in 34 years. The country's been officially in a recession since December 2007, in which time the CCI has fallen from -17 to today's -52.

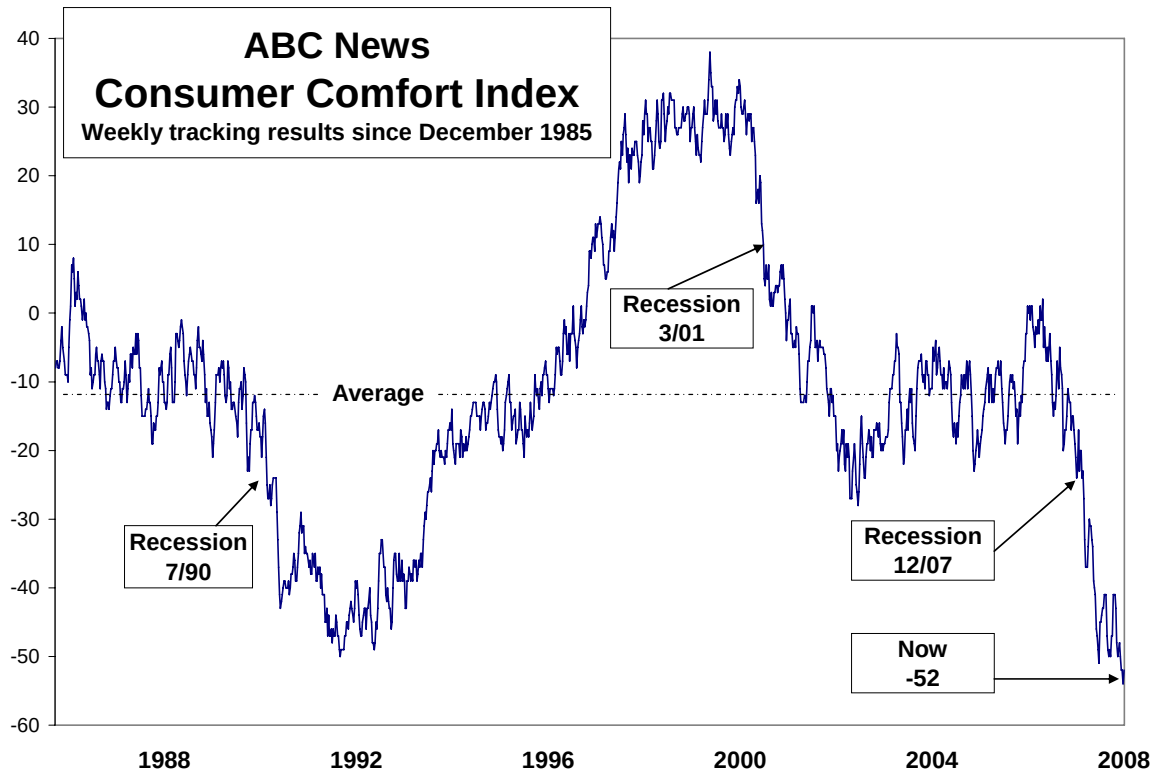


It's fallen even further since its recent high, +2 in March 2007, a breathtaking dive.

INDEX – Ratings of personal finances, traditionally the index's strongest component, are only 43 percent positive, a point off the record low set in March 1993 and matched last week. Fewer than half have rated their finances positively since mid-July, the longest such streak since late 1992 and 1993.

Many fewer, 21 percent, say it's a good time to buy things, a chilling result for holiday retailers. Positive ratings of the buying climate are just 3 points from their record low in August and October, down 10 points this year and 17 points off the long-term average.

The fewest still, 8 percent, rate the national economy positively, 1 point off the record low tied last week. Positive ratings of the economy are down 23 points this year and 31 points off the long-term average.

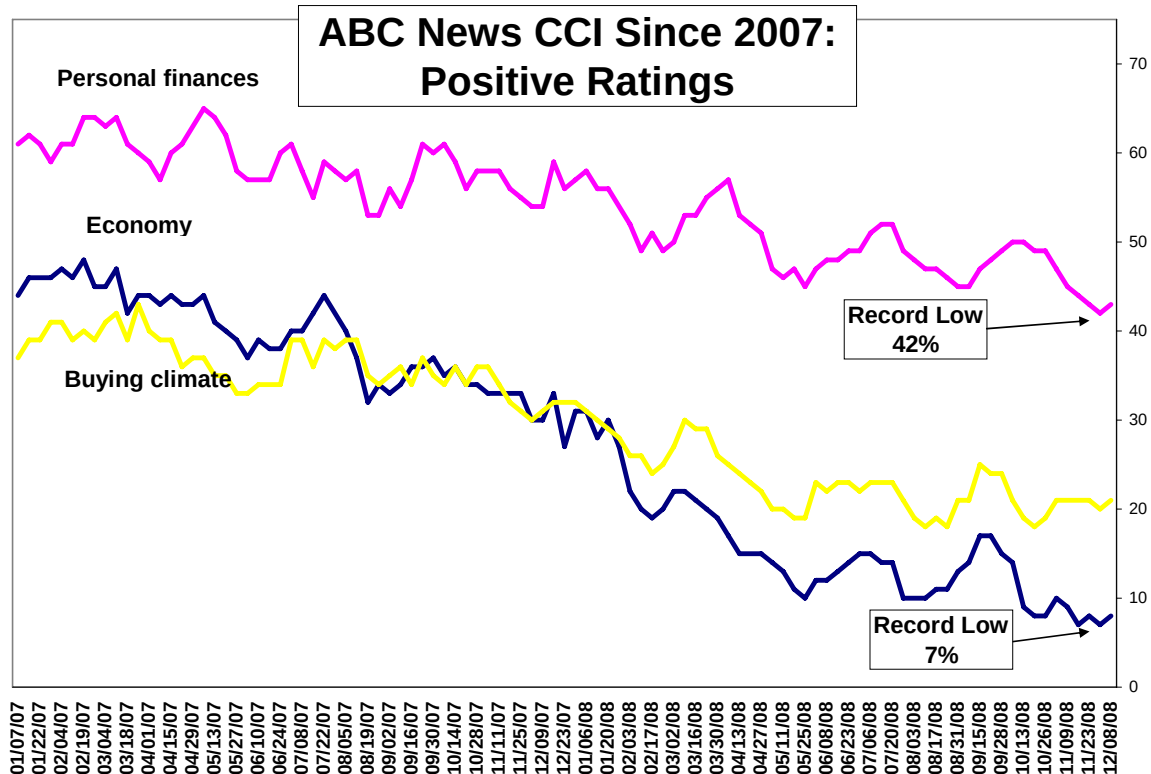


ABC News CCI				
Positive ratings of:	This week	Last week	Averages	
			2008	'85-'08
National economy	8%	7	15	39
Buying climate	21	20	23	38
Personal finances	43	42	49	57
Consumer Comfort Index	-52	-54	-42	-11

TREND – Beginning the year at -20, the CCI headed down swiftly, hitting a then-record low -51 in late May. It recovered to a still-grim -41 in July and September, but then dropped again, to new records of -52 in mid-November and -54 last week.

The CCI's been at or below -50 for five straight weeks, an unprecedented streak; and it's been below -40 for 33 consecutive weeks, four weeks shy of the record set in 1992.

The index has averaged -42 so far this year, far from the long-term average, -11, and miles from the best, +29 in 2000. It's very close to its worst year on record, -44 in 1992.



ABC News CCI		
This week	-52	
Last week	-54	Record low
2008 high	-20	Jan. 6
2008 average	-42	
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 has been negative across demographic groups for 24 straight weeks; there are differences, mostly influenced by income levels, but many of them are smaller than usual given the level of agreement about the economy's condition.

The CCI is -30 among people with the highest incomes compared with -51 among those with the lowest, a 21-point gap; in available data since 2005 it's averaged 74 points. It's -60 among blacks vs. -48 among whites, a 12-point gap; in data since 1990 it's been 29 points. And the CCI is now nearly equal among high-school dropouts vs. those who've been to college, a 4-point gap; the average since 1990, by contrast, is 42 points. (It's also -58 among women vs. -44 among men, a 17-point difference vs. the usual 21 points.)

Partisan differences are much narrower than usual, with the index -37 among Republicans, -53 among independents and -57 among Democrats.

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 7 percent last week, matching its low set three weeks ago and in late 1991 and early 1992. The highest was 80 percent on Jan. 16, 2000.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	8	3	5	92	32	60
Avg. since 12/85	39	3	36	61	40	21

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

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	43	4	39	57	38	19
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; it was 20 percent last week. The best was 57 percent on Jan. 16, 2000. The worst was 18 percent this Oct. 19, Aug. 10 and Aug. 24.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	21	2	19	79	49	30
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 Dec. 8, 2008. The results have a 3-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.

12/08/08	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
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Group								

GENERAL POPULATION:								
Overall Index	-52	-54	-50	-47	-23	-17	-54	-40
State of Economy	-84	-86	-82	-72	-40	-34	-86	-68
Personal Finances	-14	-16	-10	-10	8	18	-16	0
Buying Climate	-58	-60	-58	-58	-38	-36	-64	-53

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-44	-49	-46	-44	-12	-7	-49	-34
Women	-58	-56	-52	-48	-33	-26	-58	-45
Age:								
18 - 34	-54	-58	-45	-55	-15	-2	-58	-36
35 - 44	-42	-40	-50	-50	-20	-20	-58	-39
45 - 54	-61	-59	-49	-37	-28	-17	-61	-42
55 - 64	-49	-52	-58	-41	-22	-21	-64	-44
65+	-48	-53	-47	-41	-37	-28	-55	-42
Income:								
Under \$15K	-51	-80	-68	-72	-42	-34	-87	-70
\$15K To \$24.9K	-58	-56	-83	-73	-58	-39	-83	-61
\$25K To \$39.9K	-59	-53	-48	-65	-35	-24	-67	-52
\$40K To \$49.9K	-62	-62	-52	-44	-19	1	-62	-40
Over \$50K	-41	-38	-29	-24	-4	-4	-41	-21
\$50K To \$74.9K	-45	-42	-30	-41	-8	-8	-57	-36
\$75K To \$99.9K	-48	-45	-36	-24	-14	0	-48	-23
Over \$100K	-30	-27	-22	-1	5	18	-30	-4
Region:								
Northeast	-50	-59	-58	-50	-24	-17	-62	-45
Midwest	-57	-55	-46	-39	-24	-15	-57	-39
South	-53	-52	-42	-52	-24	-17	-53	-40
West	-43	-47	-55	-42	-18	-3	-56	-35
Race:								
White	-48	-48	-47	-43	-22	-17	-48	-37
Black	-60	-72	-68	-58	-35	-20	-81	-59
Politics:								
Republican	-37	-40	-21	-22	18	23	-40	-12
Democrat	-57	-59	-64	-60	-47	-35	-70	-55
Independent	-53	-54	-54	-51	-25	-21	-55	-43
Education:								
< High School	-54	-67	-76	-60	-45	-37	-77	-58
High Sch. Grad.	-51	-51	-54	-56	-29	-16	-61	-45
College +	-50	-50	-39	-38	-11	-6	-50	-31
Home:								
Own	-47	-46	-41	-41	-14	-10	-47	-35

Rent	-64	-74	-73	-59	-44	-25	-80	-54
Marital Status:								
Single	-55	-69	-57	-65	-23	-13	-69	-43
Married	-45	-44	-42	-36	-12	-6	-46	-31
Sep/Wid/Div	-61	-56	-61	-55	-52	-48	-67	-59
Employ. Status:								
Full-Time	-40	-42	-33	-39	-13	-10	-47	-31
Part-Time	-59	-60	-48	-53	-30	-8	-66	-40
Not Employed	-65	-64	-65	-52	-33	-27	-66	-50
END								