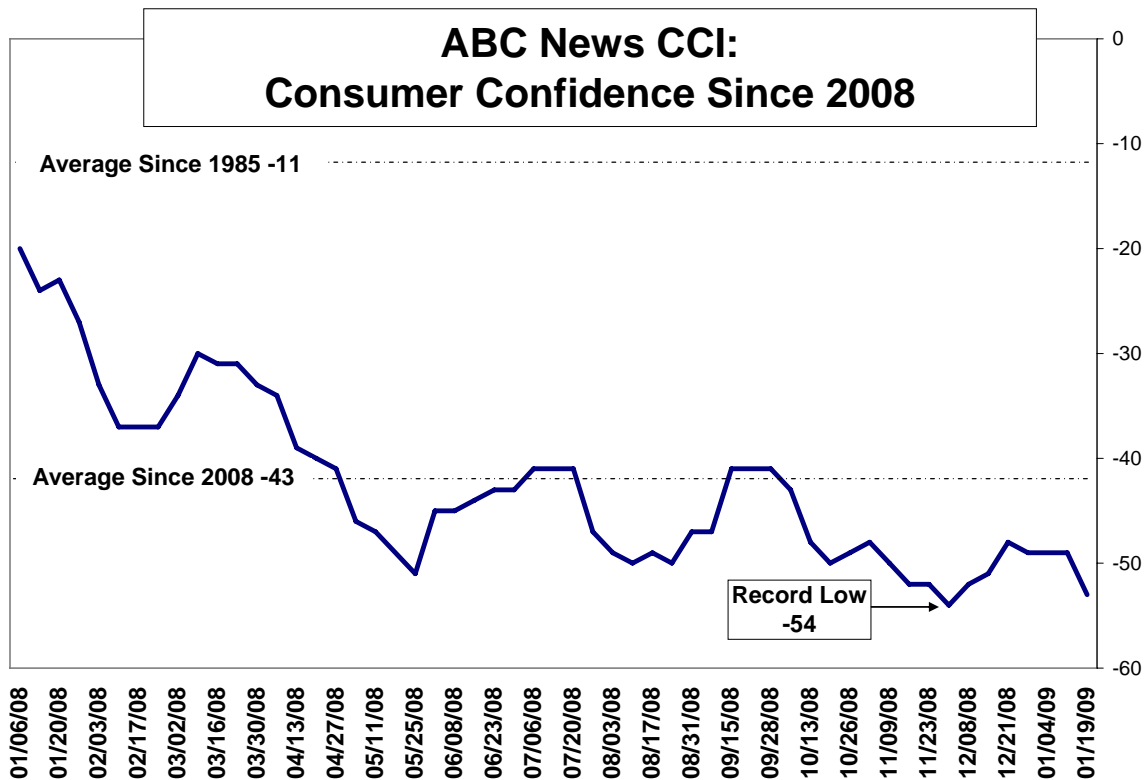


“Sapping of Confidence” Nails it; Consumer Confidence Nears its Low

As if to underscore the new president’s challenges, consumer confidence dropped this week to within a point of its lowest in 23 years – plain evidence of the “sapping of confidence across our land” Barack Obama described in his inaugural address.

In weekly ABC News polling since 1985, no president has started his administration with consumer views at a lower mark.

The ABC News Consumer Comfort Index stands at -53 on its scale of +100 to -100, breaking out of a holding pattern to drop 4 points this week. Its lowest was -54 on Dec. 1; the previous low for an incoming president, -37 as Bill Clinton took office in 1993.



Among the components of the CCI, 95 percent of Americans now rate the economy as not good or poor, the most on record, 76 percent call it a bad time to spend money and 58 percent rate their own finances negatively, matching the worst for that measure.

Expectations are grim as well: Sixty-two percent think the economy's getting even worse.

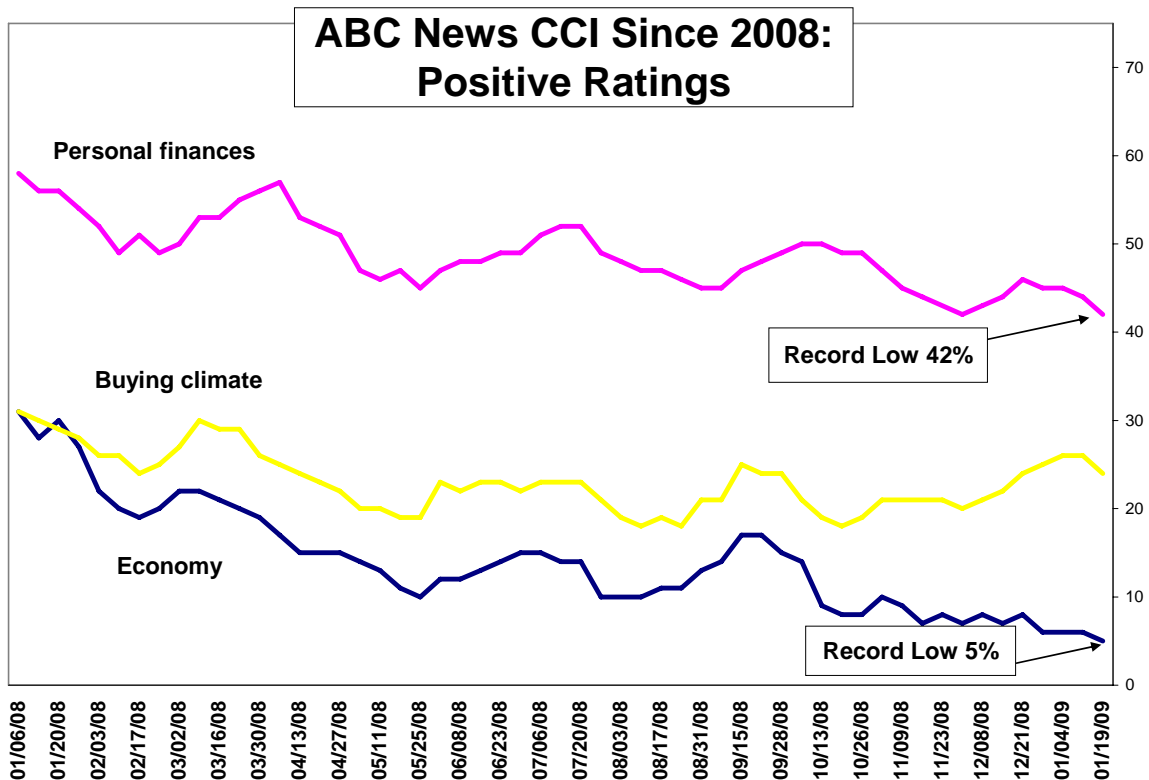
Obama focused on the economy in his address, calling it "badly weakened"; the Federal Reserve's quarterly "Beige Book" report last week filled in the details: poor retail sales, faltering real estate markets, tightening credit standards and a bleak job market.

Along with sagging confidence, there are related public concerns. In a separate ABC News/Washington Post poll this week, seven in 10 Americans expressed concern about their family's financial situation, up 10 points since September, and 68 percent said they've been hurt financially by the recession.

Obama may have some leeway: Sixty-three percent said he's off to a "good start" with the economy and 72 percent think his recovery program will improve it. But the public's patience is an open question; economic hard times have eroded the popularity of previous presidents fairly rapidly.

INDEX – In the CCI, as noted, just 5 percent rate the economy positively – a record low, 10 points below the 2008 average and 34 points below the long-term average. It's been in single digits for 11 straight weeks, the longest stretch since 1992.

Just 42 percent rate their own finances positively, matching the low last hit in December. That's 15 points off the long-term average and below a majority for 26 straight weeks, the longest such streak since 1992-93.



In the third gauge, just 24 percent call it a good time to spend money, 6 points above its low of 18 percent in October and August but still 14 points off the long-term average.

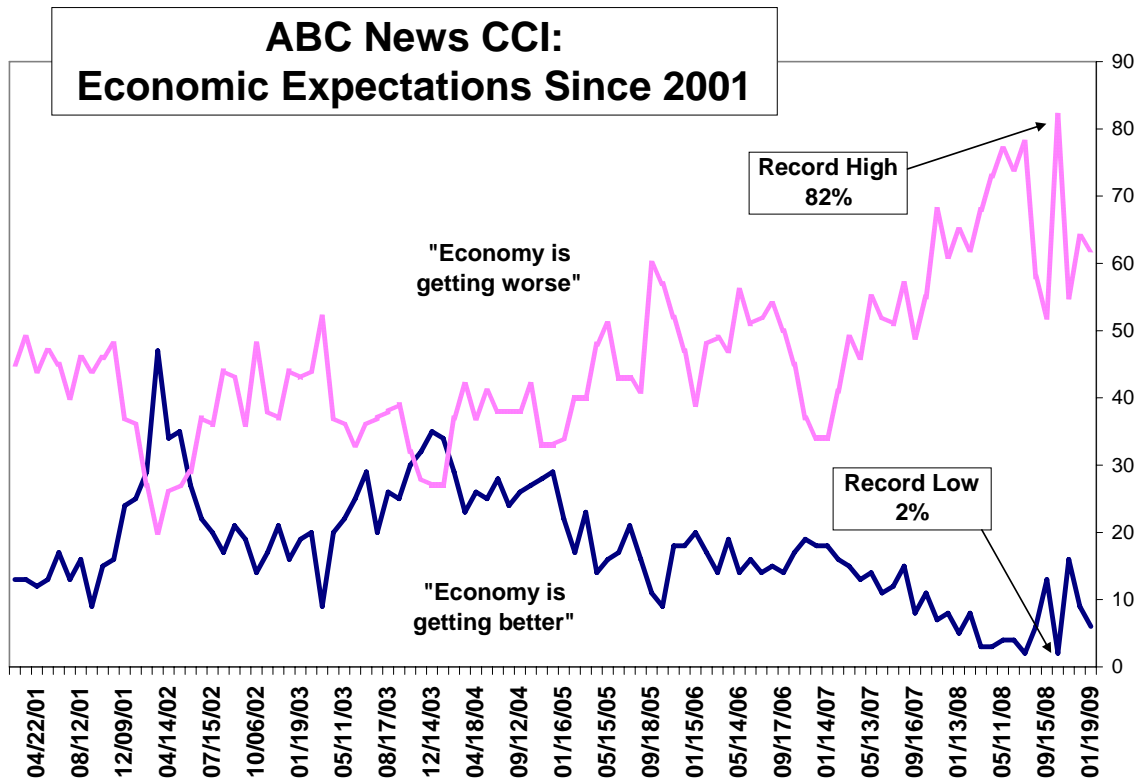
ABC News CCI

Positive ratings of:	This week	Last week	Averages	
			2008	'85-'09
National economy	5%	6	15	39
Buying climate	24	26	23	38
Personal finances	42	44	49	57
Consumer Comfort Index	-53	-49	-42	-11

EXPECTATIONS – In a separate measure, views of the economy’s future are hardly encouraging: The 62 percent who say it’s getting worse is the highest at a presidential inauguration in data since 1985.

This level of pessimism is at about the same as last month – down from an extraordinary 82 percent in October but still well above long-term average, 40 percent in polls since March 1981.

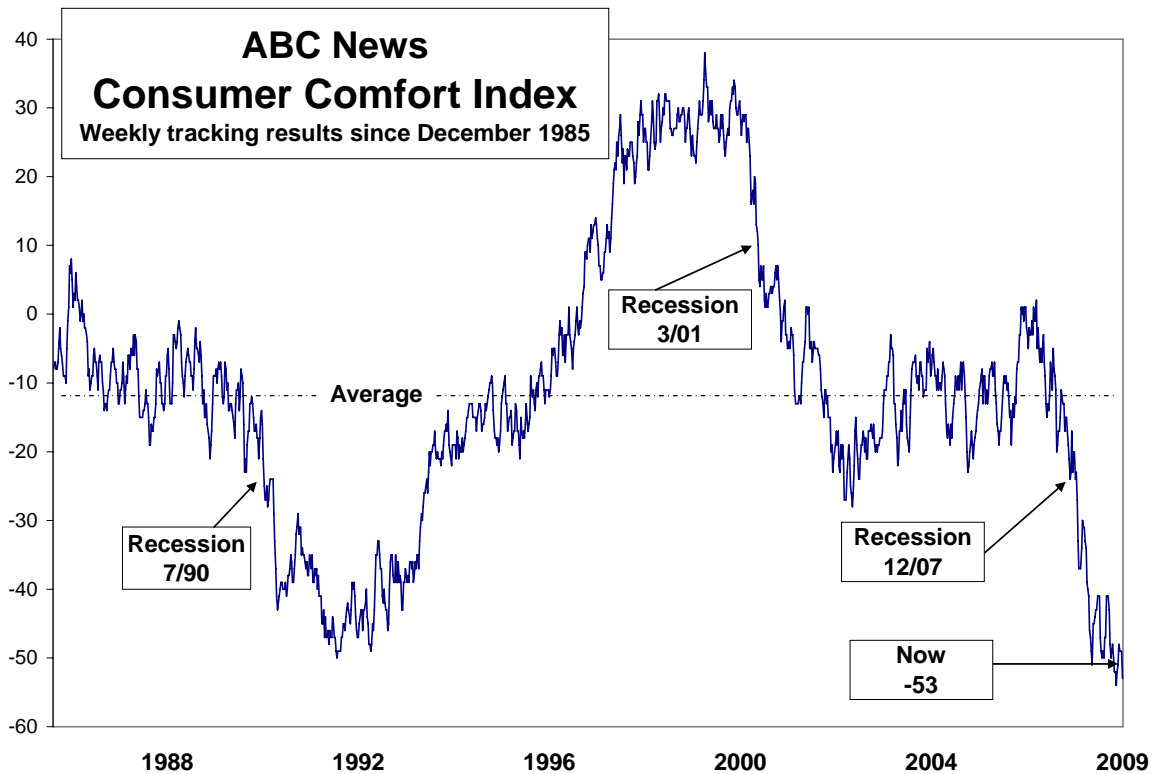
Only 6 percent think the economy is getting better, 4 points from the record low reached twice last year. Positive expectations continue to slump; only in November and September last year did positive economic views crack double digits.



	Economy's direction		
	Better	Worse	Same
1/19/09	6%	62	31
12/15/08	9	64	25
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

TREND – The CCI was flat at -49 for three weeks before this week, its first significant one-week move since mid-October. Since then it's hovered between -48 and its record low -54.

The index fell to or below -50 10 times in 2008; previously that happened just once, -50 in 1992, in what's now more than 1,200 weeks of ongoing polls. It's miles from its best, +38 in January 2000.



	ABC News CCI
This week	-53
Last week	-49

2008 high	-20	Jan. 6
2008 low	-54	Dec. 1, record low
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 is higher as usual among better-off groups, but negative across the board for the 30th straight week. It’s -34 among those with the highest incomes (a new low) compared with -78 among those with the lowest, -45 among those who’ve attended college vs. -76 among high school dropouts (a point from their low), -46 among men while -58 among women (a point from their low), -47 among homeowners (tying their low) vs. -68 among renters and -50 among whites (a new low) vs. -63 among blacks.

Partisan differences remain: The index is -33 among Republicans vs. -64 among Democrats, and -55 among independents.

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

NATIONAL ECONOMY – Five percent of Americans rate the economy as excellent or good, a record low; it was 6 percent last week. The highest was 80 percent Jan. 16, 2000.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	5	1	4	95	31	64
Avg. since 12/85	39	3	35	61	40	21

PERSONAL FINANCES – Forty-two percent say their own finances are excellent or good, tying the record low from Dec. 1, 2008 and March 14, 1993; it was 44 percent last week. The best was 70 percent, last reached in January 2000.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	42	4	38	58	39	19
Avg. since 12/85	57	5	52	43	30	13

BUYING CLIMATE – Twenty-four percent say it’s an excellent or good time to buy things, it was 26 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	24	2	22	76	46	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 Jan. 19, 2009. The results have a 3-point error margin. The expectations question was asked

of 500 respondents Jan. 7-19, 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 Patrick Moynihan.

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

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

01/19/09	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	-53	-49	-48	-50	-23	-23	-54	-43
State of Economy	-90	-88	-84	-84	-40	-40	-90	-73
Personal Finances	-16	-12	-8	-2	12	14	-16	-3
Buying Climate	-52	-48	-52	-64	-42	-40	-64	-54

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-46	-44	-37	-42	-11	-11	-49	-38
Women	-58	-53	-58	-57	-34	-34	-59	-48
Age:								
18 - 34	-53	-47	-41	-48	-12	-12	-58	-40
35 - 44	-52	-52	-54	-50	-26	-26	-58	-42
45 - 54	-57	-51	-53	-54	-21	-21	-61	-45
55 - 64	-55	-54	-51	-44	-36	-32	-64	-47
65+	-45	-45	-43	-52	-35	-31	-55	-43
Income:								
Under \$15K	-78	-77	-54	-81	-54	-51	-87	-72
\$15K To \$24.9K	-70	-66	-74	-80	-46	-39	-83	-63
\$25K To \$39.9K	-67	-63	-56	-61	-32	-32	-67	-55
\$40K To \$49.9K	-53	-55	-59	-55	-39	-16	-62	-45
Over \$50K	-34	-32	-38	-26	-4	-4	-41	-25
\$50K To \$74.9K	-31	-31	-48	-40	-17	-17	-57	-39
\$75K To \$99.9K	-39	-36	-41	-34	-1	0	-48	-25
Over \$100K	-34	-31	-23	-4	11	18	-34	-8
Region:								
Northeast	-44	-42	-48	-57	-27	-27	-62	-48
Midwest	-58	-57	-53	-48	-27	-21	-58	-43
South	-56	-52	-53	-46	-31	-28	-57	-43
West	-47	-42	-33	-53	-3	-3	-56	-38
Race:								
White	-50	-46	-47	-46	-23	-23	-50	-40
Black	-63	-62	-47	-67	-33	-33	-81	-61
Politics:								
Republican	-33	-33	-36	-29	11	11	-40	-18

Democrat	-64	-60	-56	-63	-39	-39	-70	-57
Independent	-55	-51	-45	-51	-33	-33	-55	-45
Education:								
< High School	-76	-71	-51	-73	-41	-37	-77	-60
High Sch. Grad.	-55	-50	-51	-51	-28	-26	-61	-48
College +	-45	-43	-44	-43	-14	-14	-50	-35
Home:								
Own	-47	-43	-43	-44	-20	-20	-47	-38
Rent	-68	-67	-61	-69	-32	-32	-80	-58
Marital Status:								
Single	-59	-51	-44	-56	-20	-20	-69	-46
Married	-42	-41	-41	-42	-13	-13	-46	-35
Sep/Wid/Div	-67	-64	-69	-63	-53	-49	-69	-61
Employ. Status:								
Full-Time	-42	-40	-42	-38	-18	-18	-47	-35
Part-Time	-64	-53	-42	-63	-8	-8	-66	-44
Not Employed	-60	-58	-58	-61	-35	-35	-66	-53

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
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
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

Call for full trend.

END