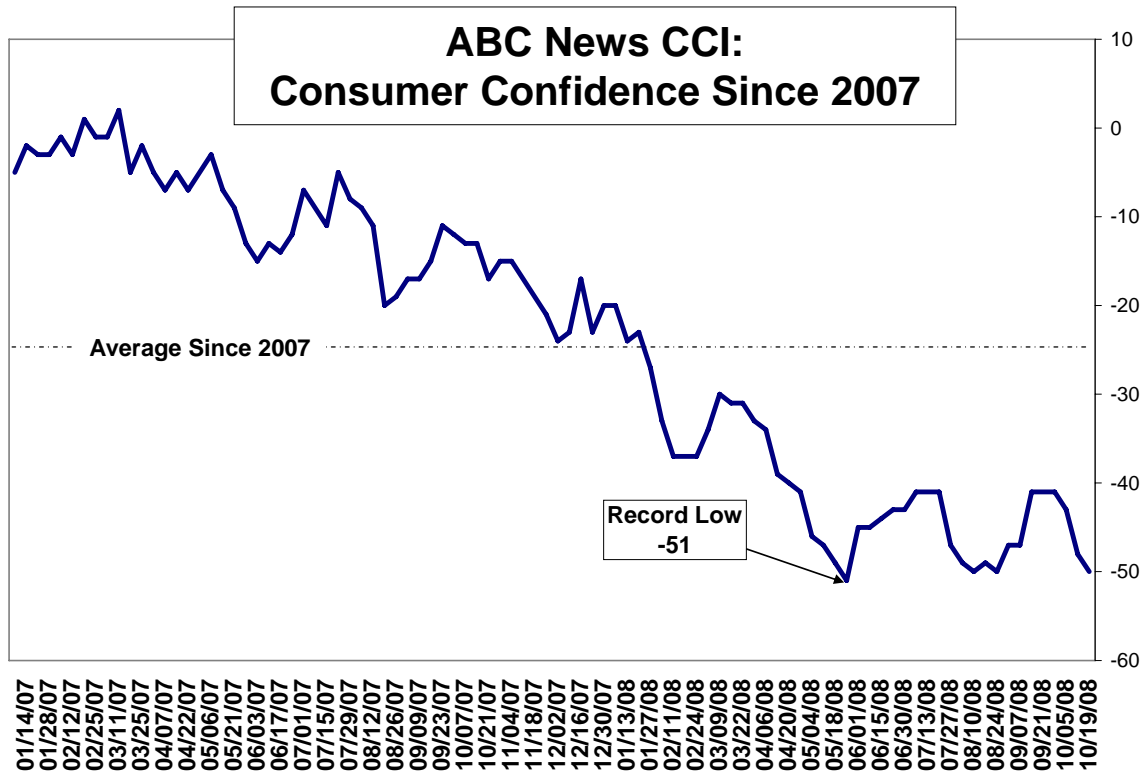


# Two Weeks Before the Election Confidence is a Point from its Low

With two weeks until Election Day and news that a majority of states are in recession, Americans are bottoming out on economic confidence, spelling trouble for the incumbent party.

The ABC News Consumer Confidence Index has dropped by 7 points in the last two weeks to -50 on its scale of +100 to -100, 1 point from its record low in 22 years of weekly polling, set in May. It also was in this territory just in advance of the 1992 election, in which George W. Bush's father lost his office in a wave of economic discontent.

Positive ratings of the buying climate, at 18 percent, equal their lowest on record since this weekly poll began in late 1985. Ratings of the national economy, a mere 8 percent positive, are 1 point from their low. And just under half rate their own finances positively.

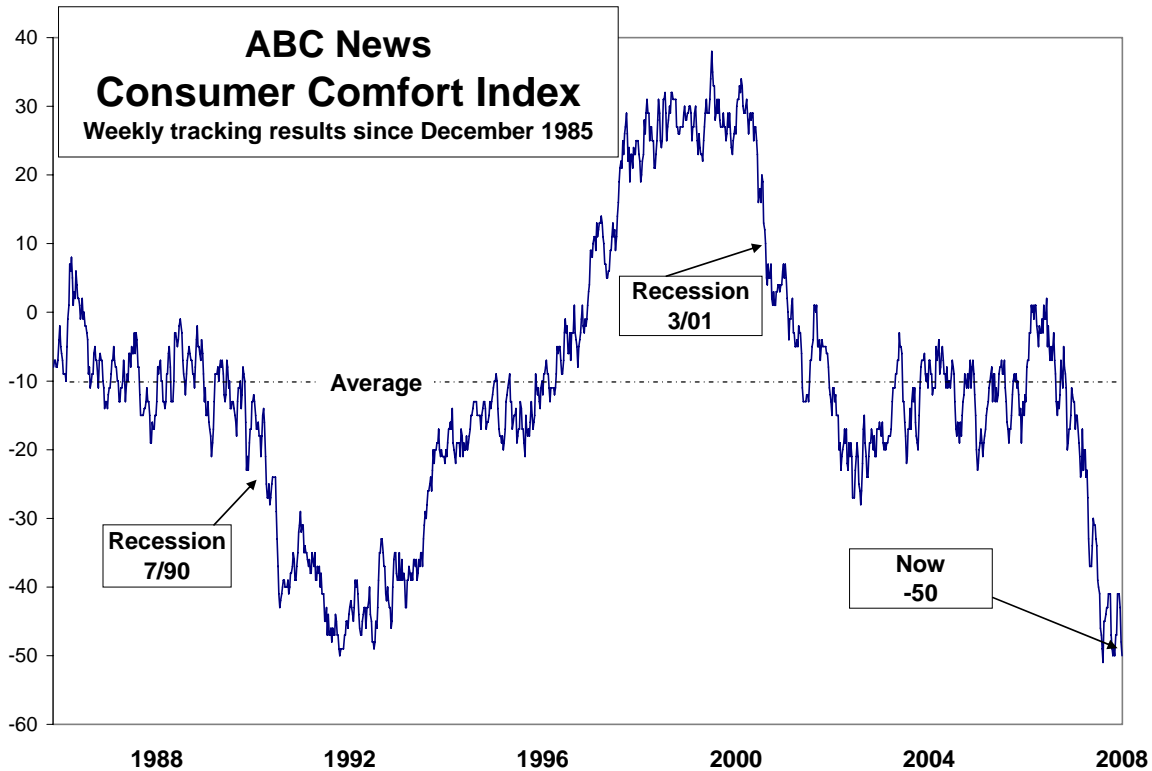


It all has political repercussions. In the latest ABC News/Washington Post tracking poll, likely voters overwhelmingly cite the economy as their top issue and by a 17-point margin trust Barack Obama over John McCain to handle it. The last Democratic presidential candidate to lead by that much in trust to deal with the economy was Bill Clinton in 1992.

The parlous state of consumer views is all the more striking given the sharp drop in gasoline prices, which, when falling, usually correlate strongly with confidence. Gas is down by 24 cents this week and 57 cents in the last two weeks, to under \$3 a gallon for the first time since February. Still consumer confidence is in the tank.

INDEX – As noted, just 18 percent say it’s a good time to buy things, tying the lowest in 22 years of the CCI, hit twice this August. Fewer still, 8 percent, rate the economy positively, down 23 points this year and 31 points off the long-term average.

In typically the strongest of the three measures, 49 percent rate their personal finances positively, slightly better than the 45 percent it hit in early September, but down 9 points this year and 8 points off the long-term average.



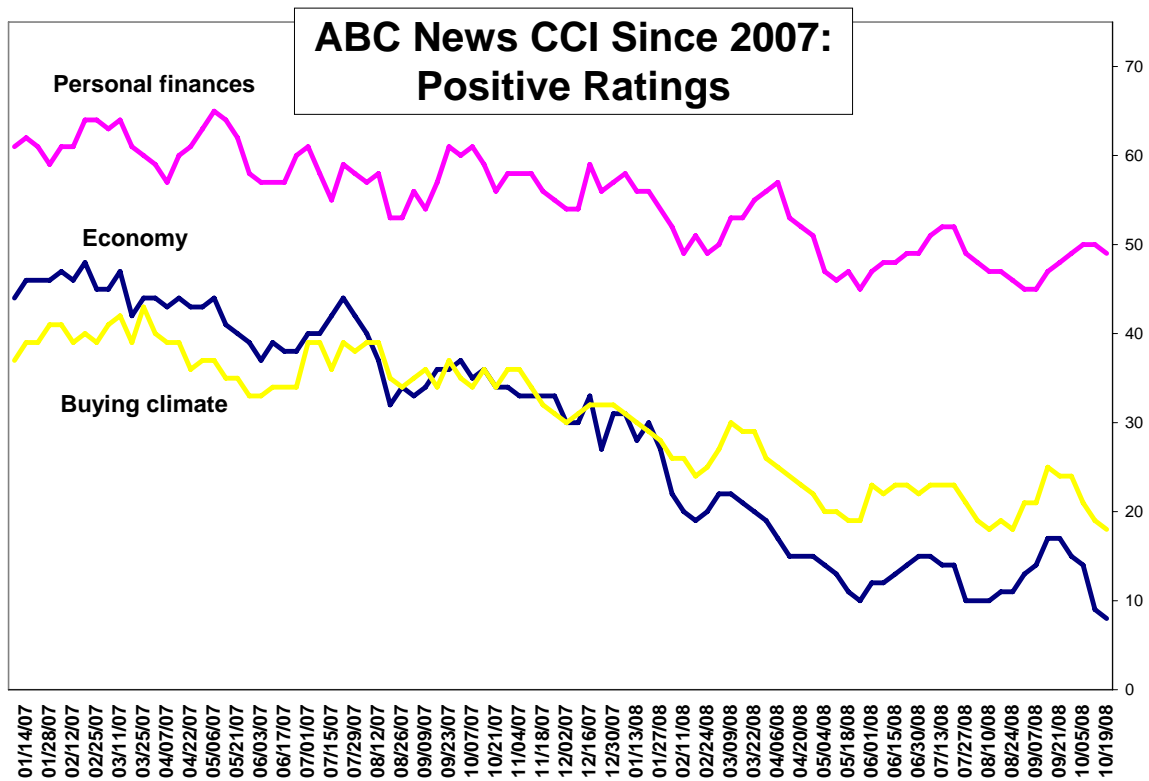
Positive ratings of:	ABC News CCI		Averages	
	This week	Last week	2008	'85-'08
National economy	8%	9	16	39
Buying climate	18	19	23	38

Personal finances	49	50	50	57
Consumer Comfort Index	-50	-48	-40	-11

TREND – The CCI was last this low in August. After beginning the year at -20 it quickly headed down, with four significant week-to-week drops before hitting its record low -51 on May 25. It improved slightly but twice plateaued at -41, only to fall back.

The CCI is the worst it's been this close to an election since the index began in 1985. It was an essentially identical -48 and -49 in the weeks before the 1992.

The index has averaged -40 this year, its second worst only to 1992's average -44.



	ABC News CCI	
This week	-50	
Last week	-48	
2008 low	-51	May 25
2008 high	-20	Jan. 6
2008 average	-40	
2000 average	+29	Best full year
1992 average	-44	Worst full year
Jan. 16, 2000	+38	Record high
May 25, 2008	-51	Record low
Average since 12/85	-11	

**GROUPS** – The index is higher as usual in better-off groups but negative across the board for the 17<sup>th</sup> straight week. It's -4 among those with the highest incomes vs. -81 among those with the lowest, -43 among people who've been to college vs. -73 among high-school dropouts, -67 among blacks vs. -46 among whites, -69 among renters vs. -44 among homeowners and -42 for men vs. -57 for women, a low reached once before, a week before the 1992 election.

Sharp partisan differences remain: The index is -63 among Democrats, -51 among independents and -29 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 9 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	8	1	7	92	28	64
Avg. since 12/85	39	3	36	61	40	21

**PERSONAL FINANCES** – Forty-nine percent say their own finances are excellent or good; it was 50 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	6	43	51	32	19
Avg. since 12/85	57	5	52	43	30	13

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

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	18	2	16	82	48	34
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 Oct. 19, 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 Emily B. Guskin.

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

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

10/19/08	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
Group								
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GENERAL POPULATION:								
Overall Index	-50	-48	-41	-41	-17	-15	-51	-36
State of Economy	-84	-82	-66	-72	-32	-32	-84	-61
Personal Finances	-2	0	-4	4	12	18	-10	3
Buying Climate	-64	-62	-52	-54	-32	-28	-64	-49
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-42	-40	-32	-37	-7	-7	-49	-30
Women	-57	-55	-47	-45	-26	-16	-57	-41
Age:								
18 - 34	-48	-46	-39	-44	-17	-2	-58	-31
35 - 44	-50	-44	-41	-27	-19	-14	-58	-36
45 - 54	-54	-53	-39	-46	-20	-17	-54	-37
55 - 64	-44	-41	-43	-42	-9	-7	-64	-39
65+	-52	-53	-39	-45	-22	-18	-53	-39
Income:								
Under \$15K	-81	-81	-78	-76	-59	-34	-87	-69
\$15K To \$24.9K	-80	-73	-56	-52	-40	-39	-83	-58
\$25K To \$39.9K	-61	-63	-49	-50	-28	-16	-67	-48
\$40K To \$49.9K	-55	-56	-34	-40	-18	1	-59	-35
Over \$50K	-26	-23	-23	-19	8	13	-34	-16
\$50K To \$74.9K	-40	-38	-30	-29	-17	-6	-57	-32
\$75K To \$99.9K	-34	-25	-28	-20	3	25	-35	-17
Over \$100K	-4	-6	-8	-8	41	41	-19	1
Region:								
Northeast	-57	-59	-46	-47	-32	-17	-61	-41
Midwest	-48	-47	-33	-43	-22	-11	-53	-35
South	-46	-47	-48	-43	-16	-16	-53	-37
West	-53	-39	-29	-31	-1	5	-54	-29
Race:								
White	-46	-43	-35	-39	-13	-8	-47	-33
Black	-67	-68	-65	-62	-40	-20	-80	-55
Politics:								
Republican	-29	-20	-10	-19	18	23	-29	-7
Democrat	-63	-65	-58	-56	-32	-29	-66	-51
Independent	-51	-47	-43	-39	-17	-17	-55	-39
Education:								
< High School	-73	-69	-69	-54	-52	-24	-77	-54
High Sch. Grad.	-51	-48	-38	-44	-30	-16	-61	-42
College +	-43	-41	-33	-35	2	2	-43	-26
Home:								
Own	-44	-43	-36	-38	-9	-5	-45	-30

Rent	-69	-63	-50	-51	-39	-25	-69	-50
Marital Status:								
Single	-56	-54	-44	-51	-24	-13	-65	-38
Married	-42	-38	-33	-26	-8	-4	-43	-27
Sep/Wid/Div	-63	-64	-56	-64	-32	-32	-67	-57
Employ. Status:								
Full-Time	-38	-36	-29	-33	-9	-7	-47	-28
Part-Time	-63	-58	-33	-53	-12	-8	-66	-35
Not Employed	-61	-58	-55	-47	-28	-23	-61	-45

\*\*\*END\*\*\*