

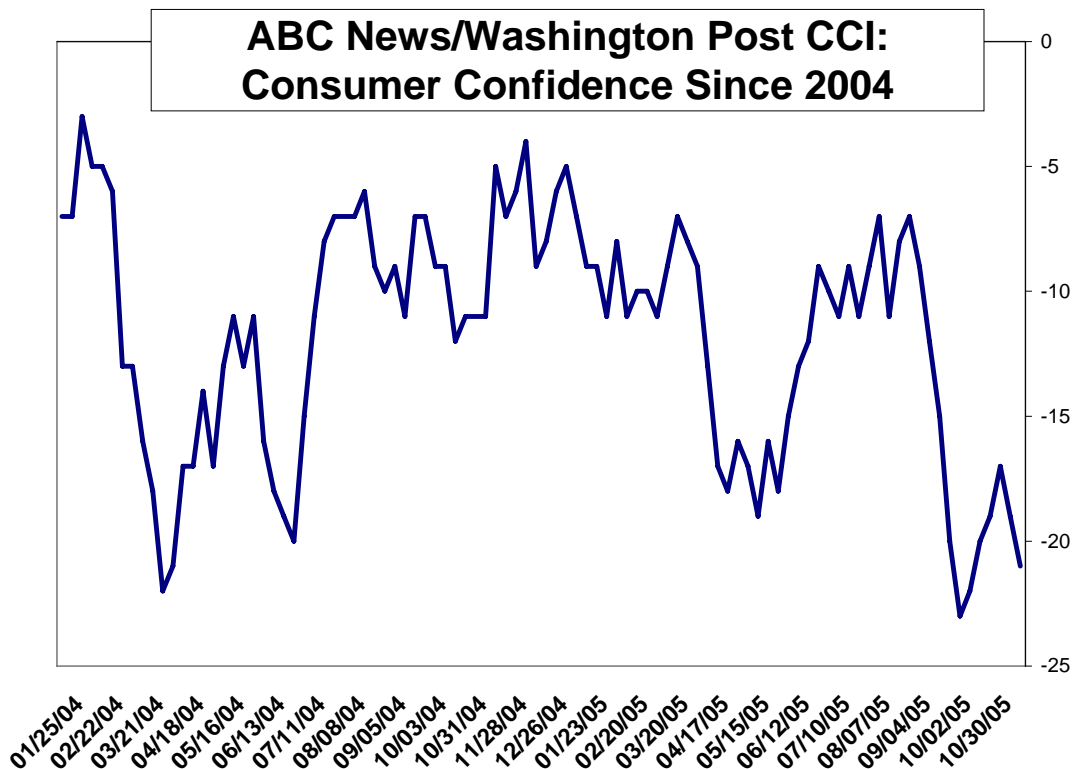
## **Confidence Edges Down As Signs of Inflation Lurk**

Consumer confidence has edged slightly lower in the last two weeks, moving back toward its low for the year despite easing gasoline prices.

The ABC News/Washington Post Consumer Comfort Index now stands at -21 on its scale of +100 to -100, down from -17 two weeks ago and well below both its 2005 average, -13, and its nearly 20-year average, -9.

Gas prices continue to fall from their post-Katrina peak, down 12 cents this week to less than \$2.50 a gallon for the first time since early August. But with inflation indicators up, the Federal Reserve raised interest rates today to their highest level in more than four years.

Slippage in the ABC/Post index in the past two weeks occurred in consumers' ratings of their finances and the buying climate. Ratings of the nation's economy, while soft, have held steady.

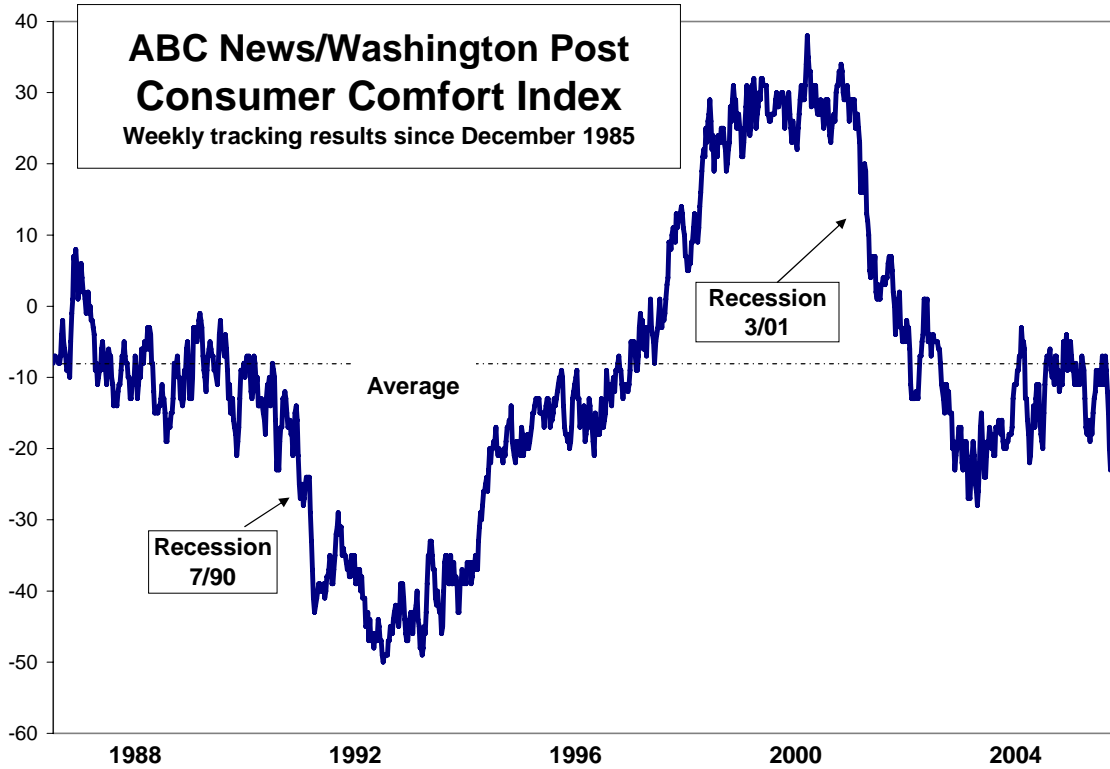


INDEX – These three gauges comprise the weekly ABC/Post index. This week 55 percent say their own finances are in good shape, three points below its 2005 average. Fewer, 31 percent call it a good time to buy things, five points below its average for the year. About as many, 33 percent, say the economy’s in good shape, four points off its average for the year.

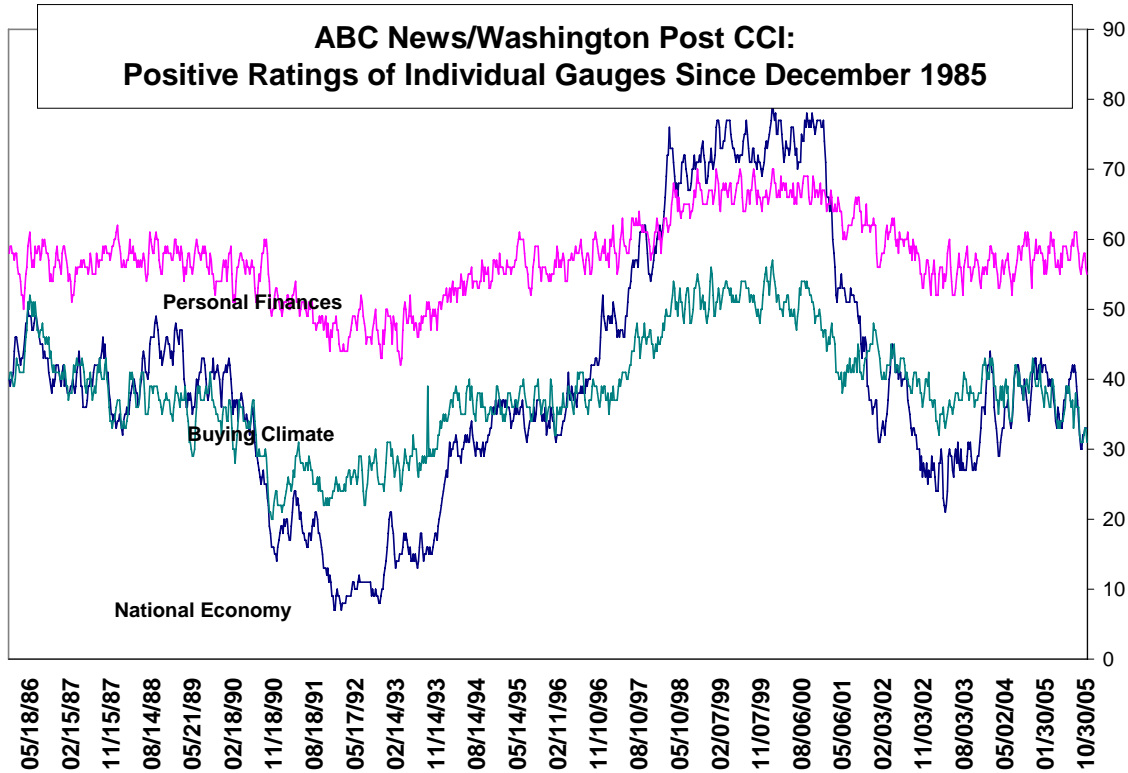
Positive ratings of:	ABC News/Washington Post CCI			
	This week	Oct. 16	2005 avg.	19-yr. avg.
National economy	33%	33	37	40
Buying climate	31	33	36	39
Personal finances	55	58	58	57
Consumer Comfort Index	-21	-17	-13	-9

TREND – At -21, the index is close to its low for the year, -23 on Sept. 18; it’s given up four of the six points it gained from mid-September to mid-October.

	ABC/Post CCI	
Today	-21	
Two weeks ago	-17	
2005 high	-7	Aug. 14, July 24, March 6
2005 low	-23	Sept. 18
2005 average	-13	
2004 average	-11	
2003 average	-19	
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	-9	



GROUPS – As usual, the CCI is higher in better-off groups. It's +30 among higher-income Americans while -41 among those with the lowest incomes, -9 among college graduates while -42 among those who haven't finished high school and -18 among whites but -42 among blacks. The index is -36 among women, the lowest since March 2003, compared with -3 among men.



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

**NATIONAL ECONOMY** – Thirty-three percent of Americans rate the economy as excellent or good, unchanged from last week. The highest was 80 percent on Jan. 16, 2000. The lowest was seven percent in late 1991 and early 1992.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	33	2	31	67	42	25
Avg. since 12/85	40	3	37	60	40	20

**PERSONAL FINANCES** – Fifty-five percent say their own finances are excellent or good; it was 56 percent last week and 58 percent two weeks ago. The best was 70 percent on Aug. 30, 1998, matched in January 2000. The worst was 42 percent on March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	55	6	49	45	31	14
Avg. since 12/85	57	5	52	43	30	13

**BUYING CLIMATE** – Thirty-one percent say it's an excellent or good time to buy things; it was 33 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	31	3	31	69	42	25
Avg. since 12/85	40	3	37	60	40	20

This week	31	4	27	69	44	25
Avg. since 12/85	39	3	36	61	41	20

**METHODOLOGY** – Interviews for the ABC News/Washington Post 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. 30, 2005. 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.

The Washington Post replaced Money magazine as cosponsor of this index at the start of this year. The survey methodology remains the same.

Analysis by Drew Allen.

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

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

10/30/05	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	-21	-19	-20	-11	-5	-4	-23	-12
State of Economy	-34	-34	-36	-18	-16	-14	-40	-24
Personal Finances	10	12	14	18	14	22	10	16
Buying Climate	-38	-34	-38	-34	-14	-14	-38	-27
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-3	-2	-9	2	6	9	-16	-3
Women	-36	-33	-29	-22	-16	-13	-36	-20
Age:								
18 - 34	-17	-11	-14	-6	-14	3	-28	-9
35 - 44	-27	-26	-13	-12	-1	6	-27	-10
45 - 54	-12	-16	-29	-16	10	10	-34	-14
55 - 64	-28	-25	-26	-7	-7	-2	-35	-15
65+	-18	-19	-20	-14	-13	-1	-32	-15
Income:								
Under \$15K	-41	-49	-67	-45	-47	-35	-75	-54
\$15K To \$24.9K	-51	-58	-62	-51	-40	-13	-65	-42
\$25K To \$39.9K	-42	-34	-33	-14	-22	-8	-42	-23
\$40K To \$49.9K	-23	-20	-12	-12	1	17	-37	-12
Over \$50K	4	14	15	16	34	35	4	19
\$50K To \$74.9K	-14	-1	12	-1	26	28	-14	5

\$75K To \$99.9K	-1	5	18	21	29	37	-1	21
Over \$100K	30	37	18	40	48	51	18	36
Region:								
Northeast	-35	-38	-26	-16	-8	2	-41	-16
Midwest	-27	-24	-17	-19	-11	-3	-27	-14
South	-18	-18	-20	-3	-8	4	-27	-9
West	-4	5	-14	-10	5	5	-21	-9
Race:								
White	-18	-16	-13	-7	1	2	-18	-7
Black	-42	-42	-53	-25	-39	-20	-56	-41
Politics:								
Republican	9	10	16	24	35	42	9	26
Democrat	-36	-36	-46	-40	-36	-27	-46	-36
Independent	-31	-24	-15	-13	-16	-7	-31	-17
Education:								
< High School	-42	-37	-40	-32	-39	-21	-55	-38
High Sch. Grad.	-27	-26	-34	-25	-2	-2	-35	-21
College +	-9	-6	-4	6	3	10	-9	3
Home:								
Own	-16	-12	-12	-5	3	7	-16	-3
Rent	-32	-36	-39	-24	-29	-20	-49	-33
Marital Status:								
Single	-20	-22	-12	-17	-27	-11	-31	-20
Married	-14	-8	-12	2	15	15	-14	1
Sep/Wid/Div	-38	-37	-45	-35	-29	-22	-49	-34
Employ. Status:								
Full-Time	-11	-7	-3	-2	8	12	-13	-1
Part-Time	-23	-20	-14	-12	-8	-1	-35	-16
Not Employed	-32	-32	-43	-20	-22	-15	-43	-24

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