

## **Let the Good Times Roll: Confidence Sets Record High**

Soaring consumer confidence became even more positive this week, leaping to a record high in 14 years of weekly polls.

The new peak caps a two-year run of extraordinarily robust public ratings of the national economy, personal finances and the buying climate. Two of these measures have tied their all-time high and the third is two points away; taken together, they've never been better.

The consumer confidence and the economy's remarkable growth cycle have been fueling each other: Confidence has been buoyed by low inflation, low interest rates, the strong job market and rising incomes; the economy in turn has been bolstered by consumer spending.

Despite its high level in 1999, confidence seemed to hit a ceiling early last year, posting only one record high all year after setting nine records in 1998. This week's record is the first since last January.

VIEWS – Today 77 percent of Americans rate the economy positively, tying the record last reached in July; 56 percent say it's a good time to buy things, also tying the all-time high; and 68 percent say their own finances are in good shape, two points off its peak.

	----- Since 12/85 -----			
Positive ratings:	Today	Highest	Lowest	Average
National Economy	77%	77	7	38
Personal Finances	68	70	42	56
Buying Climate	56	56	20	37

INDEX – The ABC/Money Consumer Comfort Index, based on these gauges, stands at +34 on its scale of +100 to –100, two points higher than its previous record, set a year ago and last tied in March.

This puts the index a full six points higher than its 1999 average of +28, which stands as its best full year. The overall average of the index since late 1985 is just –12.

	ABC/Money Index	
Today	+34	New high
Last week	+31	

1999 average	+28	Best full year
1992 average	-44	Worst full year
Feb. 9, 1992	-50	Record low
Average since 12/85	-12	

Call the ABC News Polling Unit, ext. 2621, for a chart tracking the ABC/Money index over time.

**GROUPS** - Not everyone is benefiting equally from the booming economy: The index is +63 in higher-income households compared to -23 in the lowest; +49 among college graduates but -7 among high-school dropouts; +41 among whites but 0 among blacks; and +42 among men compared to +26 among women.

Here's a closer look at the three components of the index:

**NATIONAL ECONOMY**- The poll asks: Would you describe the state of the nation's economy these days as excellent, good, not so good or poor? Seventy-seven percent say excellent or good, one point from last week. This ties the record that was set Jan. 10 1999 and tied in March, April and July of that year. The worst rating was seven percent in late 1991 and early 1992.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	77%	18	59	23	18	5
Avg. since 12/85	38	3	35	62	41	21

**PERSONAL FINANCES** - The poll asks: Would you describe the state of your own personal finances these days as excellent, good, not so good or poor? Sixty-eight percent say excellent or good, up one point from last week. The record, 70 percent, was set Aug. 30, 1998, and tied January, June and September of 1999. The worst was 42 percent March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	68%	6	62	32	25	7
Avg. since 12/85	56	4	52	44	31	13

**BUYING CLIMATE** - The poll asks: Considering the cost of things today and your own personal finances, would you say now is an excellent time, a good time, a not so good time or a poor time to buy the things you want and need? Fifty-six percent say excellent or good, up two points from last week. This ties the record set on Nov. 29, 1998 and tied Dec. 5, 1999; the worst rating, 20 percent, was set in fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	56%	4	52	44	32	12
Avg. since 12/85	37	3	35	63	41	22

**METHODOLOGY** - The ABC News/Money magazine Consumer Comfort Index represents a rolling average based on telephone interviews with about 1,000 adults

nationwide each month. This week's results are based on 1,044 interviews in the month ending Jan. 9 and have an error margin of plus or minus three percentage points. Fieldwork by ICR-International Communications Research of Media, Pa.

The ABC/Money index is derived as follows: The negative response to each index question is subtracted from the positive response to that question. The three resulting numbers are then 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 Daniel Merkle.

ABC News polls can be found at ABCNEWS.com on the Internet, at:  
<http://abcnews.go.com/sections/politics/PollVault/PollVault.html>

01/09/00	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								
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GENERAL POPULATION:								
Overall Index	34	31	29	26	31	34	22	28
State of Economy	54	52	46	44	54	54	38	47
Personal Finances	36	34	32	34	38	40	28	33
Buying Climate	12	8	8	0	2	12	-4	4
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	42	43	41	35	36	44	30	36
Women	26	21	17	17	27	31	11	20
Age:								
18 - 34	30	27	20	26	35	35	16	26
35 - 44	34	35	35	16	25	40	13	29
45 - 54	37	34	35	26	37	41	13	28
55 - 64	38	31	34	35	31	47	13	29
65 +	32	32	29	29	28	37	17	27
Income:								
Under \$15K	-23	-25	-32	-31	-16	-11	-42	-24
\$15K To \$24.9K	14	14	4	3	-7	14	-15	0
\$25K To \$39.9K	30	32	33	14	34	38	8	25
\$40K To \$49.9K	54	44	31	43	48	56	27	43
Over \$50K	63	60	64	55	63	67	53	60
Region:								
Northeast	39	42	41	42	31	42	21	31
Midwest	40	30	28	31	31	41	20	31
South	23	24	26	17	25	31	14	24
West	40	34	23	20	40	43	13	27
Race:								
White	41	38	35	30	35	41	26	32
Black	0	-10	-11	-1	11	22	-11	4
Politics:								
Republican	53	53	49	38	39	55	32	41
Democrat	34	29	25	23	29	35	15	26
Independent	22	24	21	24	34	34	13	23
Education:								
< High School	-7	-10	-15	-12	6	6	-27	-10
High Sch. Grad.	32	32	23	18	23	32	12	21
College +	49	45	47	43	45	52	38	45
Home:								
Own	42	38	38	34	37	42	26	34

Rent	11	15	6	2	17	26	-3	11
Marital Status:								
Single	26	30	21	18	30	36	8	24
Married	41	38	36	34	37	41	27	34
Sep/Wid/Div	9	5	9	1	9	18	-9	7
Employ. Status:								
Full-Time	43	39	37	33	39	43	30	36
Part-Time	25	24	24	25	30	38	7	23
Not Employed	22	22	17	15	19	26	8	17

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