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ABC NEWS/MONEY CONSUMER INDEX - 2/16/97
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CONFIDENCE BACK
TO JUST PLAIN GOOD

Consumer views dropped back from ebullient to just plain cheerful this week, retreating from a more than 10-year high in weekly tracking polls by ABC News and Money magazine.

The ABC/Money Consumer Comfort Index had gained four points last week to reach to +1 on its scale of +100 to -100, its best since August 1986. This week it lost those same four points, returning to -3.

That's still a high level of consumer confidence: The index has soared far above its recession-depressed average of -30 from 1990-95. It's even better than its pre-recession average, -9 from 1986-1990.

ABC/Money Index	
Today	-3
Last week	+1
1997 average	-3
1996 average	-11
1990-95	-30
1986-90	-9
Full average	-20

The index, which has been advancing strongly since last fall, is based on public views of the economy, buying climate and personal finances. Here's where they stand:

ECONOMY - Views of the national economy have powered this resurgence; at 50 percent positive, they're 19 points better than their average for the life of the index and nine points better even than their pre-recession average. The record, 52 percent positive, was set last Dec. 1.

FINANCES - Fifty-nine percent of Americans rate their own finances positively; last week's 62 percent tied the record in this poll. Today's number is five points better than the average for the life of the index.

BUYING - Ratings of the buying climate have lagged; this week only 37 percent call this a good time to spend money, three points over the lifetime average for the index. The record, 52 percent positive, was set in May 1986.

All three measures are far above their average from 1990-93, when faith in the economy was at its recession-inspired nadir.

Positive ratings for...	Today	1990-93	1986-90
National economy	50	15	41
Buying climate	37	26	39
Personal finances	59	49	57

GROUPS - Confidence customarily lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is +5 among men but -9 among women; +2 among whites but -16 among blacks; +37 in higher-income households but -44 in the lowest; and +11 among people who have attended college but -30 among high school dropouts.

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

NATIONAL ECONOMY- Fifty percent rate the economy positively, down one point this week. It averaged 61 percent negative last year, compared to 85 percent from 1990-93 and 59 percent from 1986-90. The best, 52 percent positive, was Dec. 1, 1996. The worst, 93 percent negative, was in late 1991 and early 1992. The average for the life of the index is 69 percent negative.

PERSONAL FINANCES - Fifty-nine percent rate their finances positively, down three points this week. It averaged 57 percent last year, compared to 49 percent in the 1990-93 slump and 57 percent before the recession. The worst was 58 percent negative March 14, 1993; the best, 62 percent positive Dec. 20, 1987. The full average is 54 percent positive.

BUYING CLIMATE - Sixty-three percent call this a bad time to buy things, up two points this week. It averaged 63 percent last year, compared to 74 percent during the 1990-93 slump and 61 percent before the recession. The worst is 80 percent negative Nov. 2 and Oct. 28, 1990; the best, 52 percent positive May 11, 1986. The full average is 66 percent negative.

	National Economy	Personal Finances	Buying Climate
This week	50% pos	59% pos	63% neg
1996 Average	61% neg	57% pos	63% neg
Recession Average (mid-1990 to 1993)	85% neg	51% neg	74% neg
Pre-Recession Avg. (1986 to mid-1990)	59% neg	57% pos	61% neg
Full Average (1986-now)	69% neg	54% pos	66% neg
Worst	93% neg	58% neg	80% neg
Best	52% pos	62% pos	52% pos

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. Interviewing by ICR-International Communications Research of Media, Pa. This week's results are based on 1,025 interviews in the month ending Feb. 16 and have an error margin of plus or minus 3.5 percentage points.

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 Gary Langer.

For details contact the ABC News Polling Unit, (212) 456-2621. ABC polls are available in the ABC News area of America Online.

02/16/97	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	-3	1	-3	-7	-18	1	-18	-9
State of Economy	0	2	-4	-8	-36	4	-36	-17
Personal Finances	18	24	20	14	12	24	8	15
Buying Climate	-26	-22	-26	-26	-30	-18	-30	-25

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	5	9	10	3	-2	10	-9	2
Women	-9	-5	-15	-15	-31	-5	-31	-18
Age:								
18 - 34	-7	-8	-6	-5	-12	-1	-23	-8
35 - 44	-4	3	0	-10	-22	3	-22	-11
45 - 54	-9	-4	1	-8	-13	12	-27	-8
55 - 64	15	17	-10	7	-28	17	-36	-8
65 +	6	15	-2	-10	-18	15	-22	-6
Income:								
Under \$15K	-44	-40	-42	-40	-45	-32	-58	-47
\$15K To \$24.9K	-12	-16	-26	-30	-35	-12	-40	-28
\$25K To \$39.9K	-8	3	-1	0	-26	5	-26	-9
\$40K To \$49.9K	9	15	8	22	-3	26	-10	7
Over \$50K	37	37	29	14	19	37	12	25
Region:								
Northeast	0	2	-3	-11	-28	2	-28	-14
Midwest	-2	2	-3	3	-12	10	-12	0
South	-4	2	-5	-9	-20	2	-24	-10
West	-3	0	-1	-10	-7	6	-23	-11
Race:								
White	2	7	1	-5	-14	7	-14	-4
Black	-16	-24	-35	-14	-39	-10	-51	-33
Politics:								
Republican	11	17	7	-9	-5	17	-12	2
Democrat	1	1	-8	6	-25	10	-25	-9
Independent	-13	-7	-4	-12	-17	-4	-25	-14
Education:								
< High School	-30	-25	-30	-44	-45	-20	-47	-36
High Sch. Grad.	-7	-5	-17	-7	-26	-4	-26	-16
College +	11	15	16	8	-1	16	-1	6
Home:								
Own	6	10	4	0	-9	10	-11	-2
Rent	-22	-19	-21	-19	-37	-11	-37	-25
Marital Status:								
Single	-6	-6	-7	-7	-14	0	-26	-12
Married	5	10	4	-3	-10	10	-11	-3

Sep/Wid/Div	-28	-19	-24	-16	-41	-9	-41	-25
Employ. Status:								
Full-Time	4	6	5	0	-9	11	-11	0
Part-Time	-3	5	3	-25	-17	5	-29	-16
Not Employed	-10	-6	-15	-11	-27	-5	-29	-18