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ABC NEWS/MONEY CONSUMER INDEX - 2/18/96
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Two Bright Spots on Gloomy Consumer Confidence Horizon

There are two bright spots this week on an otherwise gloomy consumer confidence horizon: views on personal finance and the local economy are more upbeat than those for the national economy.

While only a third of those interviewed for the ABC/Money magazine poll describe the nation's economy as good or excellent, 47 percent think of their local economy in those positive terms. And a majority of the public continues to be positive about their own finances, with 57 percent saying they are in good or excellent shape.

These relatively positive results run counter to the poll's findings on the national economy and the buying climate, which are equally gloomy, though far from the lows they hit during the last recession and its hangover. The outlook for the overall economy would be bleak if views on personal finance and the local economy were to drop decidedly into the negative zone.

Meanwhile consumer confidence moved a point ahead of its average for the year, which so far has been a bit worse than 1995. The ABC/Money Consumer Comfort Index, figured on a scale of +100 to -100, stands at -17. That means it is worse than its average in the late 1980s, -9, but much better than its average from 1990-93, a dismal -39.

	ABC/Money Index
Today	-17
3 weeks ago	-15
4 weeks ago	-21
1996 (avg)	-18
1995	-15
1994	-19
1990-93	-39
1986-90	-9

INDICES - The index is based on views of the economy, buying climate and personal finances. The economy rating was unchanged this week. Sixty-eight percent of Americans rate the economy negatively, five points worse than it was last June, when the index briefly reached a more than five-year high. Sixty-four percent also call this a bad time to buy things, one point better than last week.

	Today	1990-93	1986-90
Negative on national economy	68	85	59
Negative on buying climate	64	74	61
Positive on personal finances	57	49	57

GROUPS - Confidence lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is -2 among men but -30 among

women; +23 in higher-income households but -51 in the lowest; -13 among whites but -41 among blacks; and 0 among people who have attended college but -43 among high school dropouts.

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

NATIONAL ECONOMY- Sixty-eight percent rate the economy negatively, unchanged this week. It's averaged 68 percent this year and 65 percent last year, compared to 85 percent from 1990-93 and 59 percent from 1986-1990. The worst, 93 percent, was in late 1991 and early 1992; the best, 50-50, was April 27, 1986. The average for the life of the index is 70 percent negative.

PERSONAL FINANCES - Fifty-seven percent rate their finances positively, up a point this week. It's averaged 57 percent this year and 56 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-four percent call this a bad time to buy things, a point more positive this week. It's averaged 66 percent this year and 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	68% neg.	57% Pos	64% neg
1995 Average	65% neg	56% 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 (1986-1995)	70% neg	54% pos	66% neg
Worst	93% neg	58% neg	80% neg
Best	50% 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 is done by ICR/AUS Consultants of Media, Pa. This week's results are based on 1,039 interviews in the month ending Feb. 18 and have an error margin of plus or minus 3.5 percentage points.

The question about the local economy is based on 523 interviews over the two-week period ending Feb. 18 and has a five point error margin.

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.

ABC polls are available in the ABC News area of America Online.

Analysis by Jeff Alderman. For details contact the ABC News Polling Unit, (212) 456-2621.

02/18/96	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	-17	-18	-21	-19	-14	-9	-21	-15
State of Economy	-36	-36	-38	-36	-28	-26	-38	-31
Personal Finances	14	12	12	10	14	22	4	13
Buying Climate	-28	-30	-36	-32	-28	-20	-36	-27

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-2	-7	-9	-11	-2	4	-13	-3
Women	-30	-27	-31	-26	-23	-19	-33	-25
Age:								
18 - 34	-11	-15	-17	-19	-14	-4	-19	-12
35 - 44	-21	-21	-23	-13	-13	4	-26	-14
45 - 54	-9	-8	-35	-14	-9	-3	-36	-17
55 - 64	-40	-38	-12	-30	-9	0	-40	-16
65 +	-10	-12	-19	-23	-17	2	-34	-19
Income:								
Under \$15K	-51	-50	-61	-50	-45	-41	-61	-52
\$15K To \$24.9K	-30	-31	-25	-42	-33	-15	-48	-33
\$25K To \$39.9K	-25	-24	-17	-20	-10	-2	-29	-14
\$40K To \$49.9K	1	-8	-31	-11	0	11	-31	-3
Over \$50K	23	19	12	16	24	32	12	21
Region:								
Northeast	-29	-34	-29	-25	-21	-13	-34	-23
Midwest	-15	-14	-10	-21	0	11	-21	-6
South	-19	-16	-22	-22	-19	-9	-25	-17
West	-2	-8	-22	-6	-11	0	-23	-14
Race:								
White	-13	-13	-15	-15	-9	-5	-15	-10
Black	-41	-46	-54	-48	-44	-24	-61	-44
Politics:								
Republican	0	0	-6	-4	4	6	-10	-1
Democrat	-27	-25	-28	-25	-17	-11	-28	-20
Independent	-14	-19	-26	-24	-20	-11	-26	-18
Education:								
< High School	-43	-47	-49	-43	-46	-30	-53	-43
High Sch. Grad.	-25	-22	-27	-26	-15	-14	-30	-23
College +	0	-3	-6	-4	2	7	-6	2
Home:								
Own	-10	-11	-15	-14	-9	-2	-15	-9
Rent	-31	-32	-34	-35	-24	-19	-38	-30
Marital Status:								
Single	-11	-12	-16	-9	-9	3	-20	-10

Married	-10	-10	-18	-16	-8	-4	-18	-10
Sep/Wid/Div	-41	-43	-37	-44	-36	-21	-45	-37
Employ. Status:								
Full-Time	-10	-7	-13	-13	-3	3	-14	-5
Part-Time	-24	-35	-22	-21	-23	-4	-35	-21
Not Employed	-30	-33	-31	-28	-24	-18	-35	-27