

Confidence Up a Notch

Consumer confidence moved up a notch this week, showing signs of recovery from a recent four-week decline.

Though down from its all-time high in the midst of rising oil prices and interest rates, confidence is still remarkably strong. Seventy-seven percent of Americans say the national economy is in good shape, 67 percent rate their own finances positively, and 52 percent call it a good time to buy things. All of these are within five points of their record highs set in January.

Positive ratings:	----- Since 12/85 -----			
	Today	Highest	Lowest	Average
National Economy	77%	80	7	39
Personal Finances	67	70	42	56
Buying Climate	52	57	20	38

INDEX - The ABC/Money Consumer Comfort Index, based on these ratings, stands at +31 on its scale of +100 to -100. The index has averaged +32 so far this year (four points above its 1999 average) and -11 since late 1985, stunted by dismal levels in the early '90s.

	ABC/Money Index	
Today	+31	
Last week	+29	
Jan. 16, 2000	+38	Record High
2000 average	+32	
1999 average	+28	Best full year
1992 average	-44	Worst full year
Feb. 9, 1992	-50	Record low
Average since 12/85	-11	

Confidence has been very strong for two years, lifted by rising incomes, low inflation, low interest rates and the strong job market. Strong confidence in turn has boosted consumer spending, fueling the economy through its long growth cycle. The U.S. economy grew 6.9 percent in the final quarter of 1999, the Commerce Department reported late last week – the biggest surge in over three years.

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

GROUPS - As usual, confidence is higher among better-off Americans: The index is +62 in higher-income households compared to -14 in the lowest; +51 among college

graduates but -5 among high-school dropouts; +35 among whites but +9 among blacks; and +36 among men compared to +24 among women.

Here's a closer look at the three components of the ABC/Money 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, up two points from last week. The record, 80 percent, was set on Jan. 16, 2000. The worst rating was seven percent in late 1991 and early 1992.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	77%	16	61	23	17	6
Avg. since 12/85	39	3	36	61	40	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-seven percent say excellent or good, up one point since last week. The record, 70 percent, was originally set Aug. 30, 1998 and last matched in Jan. 2000. The worst was 42 percent on March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	67%	8	59	33	25	8
Avg. since 12/85	56	5	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-two percent say excellent or good, the same as last week. The record, 57 percent, was set on Jan. 16, 2000. The worst rating, 20 percent, was set in Fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	52%	4	48	48	34	14
Avg. since 12/85	38	3	35	62	41	21

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 1,028 interviews in the month ending Feb. 27 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.

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

02/27/00	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	31	29	33	29	29	38	22	29
State of Economy	54	50	54	46	48	60	38	47
Personal Finances	34	32	36	32	34	40	28	34
Buying Climate	4	4	8	10	6	14	-4	5

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	36	38	42	38	38	45	30	37
Women	24	18	24	21	22	30	11	20
Age:								
18 - 34	34	27	26	19	27	37	16	26
35 - 44	22	27	34	32	38	40	13	29
45 - 54	17	11	31	33	24	45	11	28
55 - 64	32	29	47	42	21	48	13	29
65 +	44	45	32	29	32	45	17	28
Income:								
Under \$15K	-14	-22	-22	-32	-20	-11	-42	-24
\$15K To \$24.9K	-2	-6	16	6	3	26	-15	2
\$25K To \$39.9K	29	27	16	28	26	38	8	25
\$40K To \$49.9K	41	40	53	43	44	56	27	43
Over \$50K	62	59	63	65	61	68	53	60
Region:								
Northeast	27	27	40	34	29	48	21	32
Midwest	35	34	32	33	35	41	20	31
South	21	17	22	30	24	31	14	24
West	39	40	43	18	33	43	13	29
Race:								
White	35	34	37	34	33	43	26	33
Black	9	-5	4	-1	8	20	-11	2
Politics:								
Republican	46	48	45	44	39	55	32	42
Democrat	25	28	35	32	22	38	15	27
Independent	26	16	21	15	34	34	13	22
Education:								
< High School	-5	4	-1	-2	-3	9	-27	-9
High Sch. Grad.	15	8	17	21	23	32	8	21
College +	51	49	53	45	46	53	38	46
Home:								
Own	37	37	42	39	36	44	28	35
Rent	13	7	9	4	11	22	-3	10
Marital Status:								
Single	32	27	19	27	21	36	8	24
Married	35	33	40	37	38	44	27	35
Sep/Wid/Div	7	6	17	3	1	18	-9	7
Employ. Status:								
Full-Time	34	31	43	39	35	44	30	36
Part-Time	26	18	24	32	23	38	7	23
Not Employed	25	27	22	13	24	28	8	18

END