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ABC NEWS/MONEY CONSUMER INDEX - 3/9/97  
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CONFIDENCE IS DOWN;  
FOURTH WEEKLY DROP

Consumer confidence fell for the fourth week in a row this week, dropping from a 10-year high last month to its lowest level since November, the latest ABC News/Money magazine poll has found.

Americans' ratings of their own finances lost three points this week and have lost seven since last month. Views of the economy have worsened by five points; a third gauge, rating the buying climate, has been more stable.

The ABC/Money Consumer Comfort Index, based on these gauges, lost three points this week to -8 on its scale of +100 to -100. It has fallen a steep nine points since Feb. 9, when it reached its best level since August 1986.

Confidence is hardly in the tank: The index remains far above its recession-depressed average of -30 from 1990-95, and even a point better than its pre-recession average, -9 from 1986-1990. But a nine-point drop in a month is a significant turn down, after five months of fairly steady improvements.

	ABC/Money Index
Today	-8
Feb. 9	+1
1997 average	-4
1996 average	-11
1990-95	-30
1986-90	-9
Full average	-20

INCOME - Part of the decline in confidence could stem from slow growth in income. The Labor Department last week reported a rise of just 3 cents an hour in hourly earnings - a modest rise, especially given the tight job market. (Approaching tax time is a less-likely factor; in past years that has not been a consistent negative force on consumer confidence.)

This week, 55 percent of Americans rate their own finances positively - still a majority, but down from a record-tying 62 percent early last month, and the fewest since Sept. 15.

ECONOMY - Forty-six percent rate the national economy positively - down, similarly, from 51 percent last month and a record 52 percent in December, and the fewest since Nov. 11.

Just 37 percent rate the buying climate positively; this gauge has lagged behind the others. Still, all three measures are far above their average from 1990-93, when faith in the economy was at its recession-inspired low point.

Positive ratings for...	Today	1990-93	1986-90
National economy	46	15	41

Buying climate	37	26	39
Personal finances	55	49	57

GROUPS - Confidence customarily lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is +6 among men but -19 among women; -3 among whites but -27 among blacks; +33 in higher-income households but -56 in the lowest; and +11 among people who have attended college but -41 among high school dropouts.

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

NATIONAL ECONOMY- Fifty-four percent rate the economy negatively, up two points this week. ItUs averaged 51 percent negative this 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 68 percent negative.

PERSONAL FINANCES - Fifty-five percent rate their finances positively, down three points this week. ItUs averaged 59 percent this 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 Feb. 12, 1997 and Dec. 20, 1987. The full average is 54 percent positive.

BUYING CLIMATE - Sixty-three percent call this a bad time to buy things, unchanged this week. ItUs averaged 63 percent this 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	54% neg	55% pos	63% neg
1997 Average	51% neg	59% 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)	68% 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 1,036 interviews in the month ending March 9 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.

03/09/97	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	-8	-5	1	-3	-15	1	-17	-8
State of Economy	-8	-4	2	-2	-32	4	-32	-16
Personal Finances	10	16	24	16	14	24	8	15
Buying Climate	-26	-26	-22	-22	-28	-18	-30	-24
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	6	5	9	7	-9	10	-9	2
Women	-19	-14	-5	-11	-22	-5	-26	-17
Age:								
18 - 34	-10	-9	-8	-5	-12	-1	-23	-8
35 - 44	-8	1	3	0	-21	3	-21	-10
45 - 54	-7	-12	-4	4	-12	12	-27	-8
55 - 64	-3	-2	17	4	-11	17	-36	-7
65 +	-1	3	15	-8	-19	15	-19	-5
Income:								
Under \$15K	-56	-51	-40	-43	-48	-32	-58	-47
\$15K To \$24.9K	-21	-18	-16	-22	-38	-12	-40	-27
\$25K To \$39.9K	-5	-5	3	1	-14	5	-19	-8
\$40K To \$49.9K	-3	0	15	5	0	26	-10	7
Over \$50K	33	36	37	30	17	37	12	26
Region:								
Northeast	-16	-9	2	-10	-17	2	-26	-13
Midwest	-7	-8	2	0	-6	10	-8	0
South	-8	-6	2	1	-21	2	-23	-9
West	4	5	0	-4	-15	6	-23	-10
Race:								
White	-3	0	7	2	-13	7	-14	-4
Black	-27	-24	-24	-24	-25	-10	-51	-32
Politics:								
Republican	0	3	17	2	-7	17	-12	3
Democrat	-4	0	1	9	-15	10	-22	-8
Independent	-14	-13	-7	-13	-20	-4	-25	-14
Education:								
< High School	-41	-36	-25	-29	-42	-20	-47	-36
High Sch. Grad.	-14	-13	-5	-7	-25	-4	-25	-15
College +	11	12	15	11	1	16	-1	7
Home:								
Own	2	3	10	3	-9	10	-11	-1

Rent	-27	-24	-19	-15	-29	-11	-36	-25
Marital Status:								
Single	-11	-5	-6	-9	-19	0	-26	-12
Married	0	2	10	4	-8	10	-10	-2
Sep/Wid/Div	-28	-29	-19	-18	-35	-9	-40	-25
Employ. Status:								
Full-Time	-1	2	6	11	-11	11	-11	0
Part-Time	-16	-8	5	-17	-11	5	-29	-16
Not Employed	-12	-13	-6	-15	-23	-5	-29	-17