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ABC NEWS/MONEY CONSUMER INDEX - 3/17/96
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CONFIDENCE DROPS
ENDING POSITIVE TREND

Consumer confidence dropped back from its best level in three months this week.

The ABC News/Money magazine Consumer Comfort Index fell two points this week after jumping to -13 last week on its scale of +100 to -100. This week's fall ends a five point positive rally over the previous two weeks, but keeps the index below its -17 average for the year and that is two points worse than the average for all of 1995. The index has fallen as low as -21 in late January.

The index is based on public ratings of the economy, the buying climate and personal finances. It remains 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	-15
Last week	-13
2 weeks ago	-18
1996 average	-17
1995	-15
1994	-19
1990-93	-39
1986-90	-9

INDICES - Rating of the buying climate and personal finance were responsible for the overall index tumble. The rating on the economy remained unchanged.

Sixty-six percent of Americans now rate the economy negatively and 64 percent call it bad time to buy things - ratings that may seem gloomy, but are far better than their lows during the last recession and its hangover.

In the one positive gauge, 57 percent say their own finances are in good shape matching its pre-recession average.

	Today	1990-93	1986-90
Negative on national economy	66	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 -9 among men but -22 among women; +17 in higher-income households but -48 in the lowest; -13 among whites but -25 among blacks; and +1 among people who have attended college but -42 among high school dropouts.

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

NATIONAL ECONOMY- Sixty-six percent rate the economy negatively, the same as last week. It's averaged 67 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, down 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, up two points this week. It's averaged 65 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	66% neg	57% Pos	64% neg
1996 Average	67% neg	57% pos	65% 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 1,048 interviews in the month ending March 17 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.

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.

03/17/96	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

GENERAL POPULATION:

Overall Index	-15	-13	-17	-13	-17	-9	-21	-15
State of Economy	-32	-32	-36	-28	-34	-26	-38	-32
Personal Finances	14	16	14	8	10	22	4	13
Buying Climate	-28	-24	-28	-20	-26	-20	-36	-27

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:								
Men	-9	-3	-2	0	-10	4	-13	-3
Women	-22	-22	-30	-26	-23	-19	-33	-26
Age:								
18 - 34	-12	-10	-11	-6	-17	-4	-19	-12
35 - 44	-21	-17	-21	-19	-12	4	-26	-15
45 - 54	-12	-9	-9	-12	-25	-3	-36	-17
55 - 64	-11	-12	-40	-2	-8	0	-40	-17
65 +	-19	-15	-10	-34	-20	2	-34	-19
Income:								
Under \$15K	-48	-44	-51	-49	-60	-41	-61	-52
\$15K To \$24.9K	-38	-30	-30	-46	-34	-15	-48	-33
\$25K To \$39.9K	-14	-14	-25	-12	-7	-2	-29	-15
\$40K To \$49.9K	0	2	1	3	4	8	-31	-3
Over \$50K	17	18	23	31	14	32	12	21
Region:								
Northeast	-17	-18	-29	-20	-28	-13	-34	-23
Midwest	-6	-3	-15	-9	-5	11	-21	-6
South	-21	-21	-19	-9	-15	-9	-25	-17
West	-15	-3	-2	-19	-21	0	-23	-14
Race:								
White	-13	-10	-13	-8	-10	-5	-15	-11
Black	-25	-23	-41	-48	-57	-23	-57	-42
Politics:								
Republican	-7	-2	0	2	-6	6	-10	-2
Democrat	-15	-16	-27	-17	-21	-11	-28	-20
Independent	-20	-15	-14	-18	-15	-11	-26	-18
Education:								
< High School	-42	-36	-43	-41	-50	-30	-53	-43
High Sch. Grad.	-25	-22	-25	-22	-23	-15	-30	-23
College +	1	4	0	3	0	7	-6	2
Home:								
Own	-9	-6	-10	-5	-10	-2	-15	-9
Rent	-29	-30	-31	-37	-35	-19	-38	-30
Marital Status:								
Single	-19	-17	-11	-2	-20	3	-20	-10
Married	-8	-6	-10	-9	-11	-4	-18	-11
Sep/Wid/Div	-35	-31	-41	-43	-35	-21	-45	-36
Employ. Status:								
Full-Time	-11	-8	-10	-1	-8	3	-14	-6
Part-Time	-11	-8	-24	-22	-29	-4	-35	-20
Not Employed	-23	-20	-30	-28	-24	-18	-35	-27