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ABC NEWS/MONEY CONSUMER INDEX - 3/23/97
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CONSUMER CONFIDENCE
LOOKING GOOD

Consumer confidence inched up a notch this week as Americans gave the buying climate its best rating in six months, reflecting the kind of potentially inflationary economic exuberance the Federal Reserve is trying to stem.

Forty percent in this week's ABC News/Money magazine poll call this a good time to spend money, the most since Sept. 29. The Fed cited fears of higher inflation when it raised interest rates by a quarter-point Tuesday.

In interviews completed Sunday, the ABC/Money Consumer Comfort Index, based on ratings of the buying climate, national economy and personal finances, gained a point to -4 on its scale of +100 to -100.

The index is down from +1 Feb. 9, which was its best since August 1986. But it's still marking its best year since it began in 1986, averaging -4 so far in 1997, compared to past bests of -7 at this time in 1986 and 1989.

The index is far above its recession-depressed average of -30 from 1990-95, and even five points better than its pre-recession average, -9 from 1986-90.

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

GAUGES - This week 46 percent of Americans rate the national economy positively ("excellent" or "good"; very few ever call it "excellent"), down a point from last week. It hit a record 52 percent positive in December.

Fifty-eight percent rate their own finances positively, up two points; the record was 62 percent positive on Feb. 12 and once in 1987.

Forty percent rate the buying climate positively, up one point this week; while this gauge has lagged behind the others, it's the only one of the three that's now above its average for the year.

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	40	26	39
Personal finances	58	49	57

GROUPS - Confidence customarily lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is +8 among men but -14 among women; +1 among whites but -28 among blacks; +36 in higher-income households but -49 in the lowest; and +17 among people who have attended college but -33 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 one point this week. ItUs averaged 52 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-eight percent rate their finances positively, up two points this week. ItUs averaged 58 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 percent call this a bad time to buy things, down one point this week. ItUs averaged 62 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	58% pos	60% neg
1997 Average	52% neg	58% pos	62% 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 1,030 interviews in the month ending March 23 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.

03/23/97	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	-4	-5	-4	-6	-16	1	-16	-8
State of Economy	-8	-6	-2	-6	-28	4	-28	-15
Personal Finances	16	12	16	14	8	24	8	16
Buying Climate	-20	-22	-26	-26	-28	-18	-30	-24

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	8	10	4	4	-7	10	-7	3
Women	-14	-19	-11	-15	-23	-5	-25	-17
Age:								
18 - 34	-4	-10	-9	-3	-10	-1	-23	-8
35 - 44	2	0	3	-10	-19	3	-21	-9
45 - 54	-9	-7	-10	0	-24	12	-27	-8
55 - 64	0	-4	9	-11	-17	17	-36	-7
65 +	-2	0	-2	-8	-11	15	-18	-5
Income:								
Under \$15K	-49	-50	-48	-45	-56	-32	-58	-47
\$15K To \$24.9K	-23	-32	-15	-26	-39	-12	-40	-27
\$25K To \$39.9K	2	0	-4	5	-9	5	-19	-8
\$40K To \$49.9K	3	3	7	-4	-3	26	-10	7
Over \$50K	36	36	34	31	22	37	12	26
Region:								
Northeast	-8	-12	-4	-9	-16	2	-26	-13
Midwest	4	0	-3	-7	-5	10	-8	0
South	-13	-9	-4	-5	-20	2	-20	-9
West	8	4	-3	-5	-19	8	-23	-9
Race:								
White	1	0	1	-2	-14	7	-14	-3
Black	-28	-31	-19	-24	-30	-10	-51	-32
Politics:								
Republican	3	2	9	1	-1	17	-12	3
Democrat	-4	-4	1	2	-20	10	-22	-7
Independent	-6	-11	-16	-15	-21	-4	-25	-14
Education:								
< High School	-33	-35	-37	-32	-47	-20	-47	-36
High Sch. Grad.	-16	-16	-9	-15	-23	-4	-23	-15
College +	17	14	12	10	2	17	1	8
Home:								
Own	4	4	5	-4	-10	10	-10	-1
Rent	-21	-27	-24	-13	-29	-11	-36	-24
Marital Status:								
Single	1	-8	-6	-7	-19	1	-26	-11

Married	2	2	3	-3	-9	10	-10	-2
Sep/Wid/Div	-25	-26	-28	-19	-37	-9	-38	-24
Employ. Status:								
Full-Time	7	4	2	6	-8	11	-8	1
Part-Time	-15	-17	-4	-16	-17	5	-29	-16
Not Employed	-14	-13	-13	-20	-25	-5	-29	-17