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ABC NEWS/MONEY CONSUMER INDEX - 3/24/96

EMBARGOED FOR RELEASE AFTER 6:30 p.m. Wednesday, March 27, 1996

CONFIDENCE TAKES TWO DIRECTIONS

Public opinion on two fundamental economic issues diverged this week, with ratings of the national economy reaching their best level of the year - while views of personal finances fell to their worst.

The biggest movement was in personal finances, now rated positively by 54 percent of Americans - down three points this week to the least since Dec. 17, the latest ABC News/Money magazine poll has found.

Views of the economy, although much more negative, are moving in the other direction. While 35 percent rate the economy positively, that's up a point this week to its best since Dec. 24.

INDEX - Ratings of a third economic factor, the buying climate, held steady this week. Together these three gauges form the ABC/Money Consumer Comfort Index, which fell two points to -17 on its scale of +100 to -100.

The index today is the same as its average for the year - which is two points worse than its average for 1995. That makes this the first year since 1992, when confidence hit its recession-inspired bottom, that it's failed to improve. It averaged -9 in the late 1980s, then plunged to a dismal -39 from 1990-93.

ABC/Money Index	
Today	-17
Last week	-15
1996 average	
1996	-17
1995	-15
1994	-19
1993	-37
1992	-44
1990-93	-39
1986-90	-9

INDICES - While ratings of the economy and buying climate seem gloomy, they're far better than their lows during the 1990-93 recession and its hangover. The trouble is that this long after, they still haven't regained their pre-recession levels.

	Today	1990-93	1986-90
Negative on national economy	65	85	59
Negative on buying climate	64	74	61
Positive on personal finances	54	49	57

GROUPS - Confidence lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is -6 among men but -26 among women; +21 in higher-income households but -56 in the lowest; -13 among whites but -27 among blacks; and -1 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- Sixty-five percent rate the economy negatively, down a point this 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-four percent rate their finances positively, down three points 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, unchanged 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	65% neg	54% 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 1,041 interviews in the month ending March 24 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 Gary Langer. For details contact the ABC News Polling Unit, (212) 456-2621.

03/24/96

This Last 4 Wks 3 Mo. 1 Yr. 12 Mo 12 Mo 12 Mo
 Week Week Ago Ago Ago High Low Avg

Group

GENERAL POPULATION:

Group	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
Overall Index	-17	-15	-18	-14	-16	-9	-21	-15
State of Economy	-30	-32	-36	-30	-32	-26	-38	-32
Personal Finances	8	14	12	10	12	22	4	13
Buying Climate	-28	-28	-30	-22	-28	-20	-36	-27

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:

Men	-6	-9	-2	0	-7	4	-13	-3
Women	-26	-22	-31	-27	-25	-19	-33	-26

Age:

18 - 34	-13	-12	-12	-9	-17	-4	-19	-11
35 - 44	-18	-21	-22	-15	-14	4	-26	-15
45 - 54	-22	-12	-13	-21	-22	-3	-36	-16
55 - 64	-13	-11	-28	-12	0	0	-40	-17
65 +	-12	-19	-18	-25	-23	2	-34	-19

Income:

Under \$15K	-56	-48	-45	-50	-54	-41	-61	-52
\$15K To \$24.9K	-36	-38	-35	-48	-38	-15	-48	-33
\$25K To \$39.9K	-13	-14	-26	-16	-9	-2	-29	-15
\$40K To \$49.9K	-1	0	-3	6	4	8	-31	-3
Over \$50K	21	17	19	31	14	32	12	21

Region:

Northeast	-18	-17	-28	-17	-28	-13	-34	-22
Midwest	-5	-6	-12	-9	-6	11	-21	-6
South	-23	-21	-20	-15	-14	-9	-25	-17
West	-16	-15	-7	-15	-19	0	-23	-14

Race:

White	-13	-13	-14	-9	-10	-5	-15	-11
Black	-27	-25	-39	-49	-52	-23	-56	-41

Politics:

Republican	-1	-7	-5	1	-6	6	-10	-2
Democrat	-20	-15	-25	-22	-20	-11	-28	-20

Independent	-23	-20	-17	-17	-17	-11	-26	-18
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Education:

< High School	-41	-42	-45	-36	-50	-30	-53	-43
High Sch. Grad.	-24	-25	-26	-23	-23	-15	-30	-23
College +	-1	1	-1	1	2	7	-6	2

Home:

Own	-11	-9	-9	-6	-10	-2	-15	-9
Rent	-29	-29	-37	-35	-35	-19	-38	-30

Marital Status:

Single	-17	-19	-14	-8	-19	3	-19	-10
Married	-9	-8	-10	-9	-10	-4	-18	-10
Sep/Wid/Div	-40	-35	-41	-42	-36	-21	-45	-37

Employ. Status:

Full-Time	-9	-11	-9	-1	-7	3	-14	-6
Part-Time	-23	-11	-17	-15	-32	-4	-35	-20
Not Employed	-24	-23	-27	-30	-24	-18	-35	-27