

Confidence Loses Ground Though it's Still Sky-High

Consumer confidence retreated from a string of record highs this week, breaking off a breathtaking climb that started with the new year, the latest ABC News/Money magazine poll has found.

Ratings of the national economy, while 69 percent favorable, lost two points this week and are now seven points off the record they set Feb. 22. Ratings of the buying climate and personal finances are down a point from last week's all-time records.

Ratings of the national economy in particular bear watching, since this measure has led the climb in consumer confidence. Even with the recent drop, it's still a huge 35 points higher than its average in weekly polls since December 1985.

	Today	Positive Ratings	
		Record high	12-yr. avg.
National Economy	69%	76	34
Personal Finances	67	68	55
Buying Climate	53	54	35

INDEX - The ABC/Money Consumer Comfort Index, based on these three gauges, stands at +26 on its scale of +100 to -100, down three points from last week's record high. This is only the third week of the year that the index has lost ground; in eight of the last 11 weeks it set record highs.

Even with this week's drop, confidence has never even been close to these levels before. The ABC/Money index reached a then-high +8 in May 1986 that was untouched for 11 years, until late last spring. Since then confidence has soared, boosted by low inflation, low unemployment and growing personal income. Compare today's level to the index's lifetime average, -17, or even its previous best year, an average of +5 last year.

This burst in economic confidence came along just in time to shield Bill Clinton's job approval rating from the White House sex scandal. Absent war, nothing influences presidential approval as reliably as consumer confidence.

	ABC/Money Index	
Today	+26	
Last week	+29	Record high
1998 average (to date)	+22	
1997 average	+5	Best year
1992 average	-44	Worst year
Feb. 9, 1992	-50	Record low
Lifetime average	-17	

GROUPS - Confidence lags in economically vulnerable groups. The index is +38 among men compared to +14 among women, +30 among whites but -4 among blacks, +60 in higher-income households but -27 in the lowest and +46 among people who've attended college but -21 among high school dropouts.

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

NATIONAL ECONOMY- Sixty-nine percent of Americans rate the economy positively, down two points this week. The best was 76 percent Feb. 22; the worst, 93 percent negative in late 1991 and early 1992.

PERSONAL FINANCES - Sixty-seven percent rate their finances positively, down one point from last week's record. The worst was 58 percent negative March 14, 1993.

BUYING CLIMATE - Fifty-three percent call this a good time to buy things, down one point from last week's record. The worst was 80 percent negative Nov. 2 and Oct. 28, 1990.

	Positive ratings for...		
	National Economy	Personal Finances	Buying Climate
This week	69%	67	53
Full average	34	55	35
Best	76	68	54
Worst	7	42	20

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 1,035 interviews in the month ending March 29 and have an error margin of plus or minus three 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 News polls are available on America Online (keyword "ABC Polls") and at ABCnews.com on the Internet.

03/29/98 This Last 4 Wks 3 Mo. 1 Yr. 12
Mo 12 Mo 12 Mo

High	Low	Avg	Week	Week	Ago	Ago	Ago

Group							

GENERAL POPULATION:							
Overall Index			26	29	23	9	-3
29	-3	11					
State of Economy			38	42	46	20	-6
52	-8	18					
Personal Finances			34	36	24	16	20
36	14	23					
Buying Climate			6	8	-2	-8	-22
8	-22	-9					

			OVERALL INDEX BY				

DEMOGRAPHIC GROUPS							
Sex:							
Men			38	37	26	20	11
38	8	20					
Women			14	20	20	-2	-14
20	-17	2					
Age:							
18 - 34			29	27	17	4	-4
29	-6	7					
35 - 44			28	37	29	12	1
37	-4	10					
45 - 54			20	18	18	15	-6
29	-10	11					
55 - 64			30	28	21	21	5
30	-10	12					
65 +			19	29	31	-2	2
35	-10	16					
Income:							
Under \$15K			-27	-26	-30	-30	-44
-18	-50	-34					
\$15K To \$24.9K			14	12	8	-19	-24
14	-34	-12					
\$25K To \$39.9K			18	24	14	9	1
24	-6	8					

	\$40K To \$49.9K	51	54	44	19	9
54	-4 20					
	Over \$50K	60	63	56	52	34
63	25 45					
	Region:					
	Northeast	17	15	17	9	-8
22	-8 7					
	Midwest	28	34	25	16	4
34	2 16					
	South	26	25	28	3	-9
29	-9 9					
	West	31	40	18	8	7
40	-10 10					
	Race:					
	White	30	33	30	13	2
33	-1 16					
	Black	-4	-8	-14	-20	-23
0	-42 -19					
	Politics:					
	Republican	33	34	28	17	8
41	8 24					
	Democrat	21	25	21	7	-1
25	-10 7					
	Independent	27	30	19	9	-8
30	-9 6					
	Education:					
	< High School	-21	-14	-7	-29	-26
-1	-38 -19					
	High Sch. Grad.	21	22	16	1	-15
22	-15 2					
	College +	46	48	39	26	15
48	10 27					
	Home:					
	Own	34	36	31	17	7
36	2 18					
	Rent	4	9	5	-9	-24
9	-24 -8					
	Marital Status:					
	Single	29	30	17	8	-2
30	-8 4					
	Married	34	36	28	15	4
36	2 18					

	Sep/Wid/Div	-5	2	11	-14	-24
18	-25 -10					
	Employ. Status:					
	Full-Time	35	35	30	22	7
35	6 18					
	Part-Time	17	23	9	-3	-16
23	-16 3					
	Not Employed	14	20	19	-6	-11
25	-17 2					