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ABC NEWS/MONEY CONSUMER INDEX - 3/30/97
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CONSUMER CONFIDENCE
CREEPS FORWARD AGAIN

Consumer confidence crept further ahead this week mainly on the strength of the good feelings about personal finances among six in 10 Americans.

The number of Americans reporting their own finances in good shape rose two points this week, matching last week's gain. This pocketbook measure, one of three which make up the ABC/Money Consumer Comfort Index, rests just two points from its all time high of 62 percent hit in February of this year and once in 1987.

The index, started in 1985 and based on ratings of the buying climate, national economy and personal finances, gained a point to -3 on its scale of +100 to -100. The bump forward to the second best showing of the year does not factor in much public reaction to the recent large drops in the stock market since the index is based on a rolling average of opinion over the last four weeks.

Whether the public will react negatively to Friday and Monday's combined Dow Jones drop of nearly 300 points, remains to be seen. In 1987 it took several weeks for the much larger October crash to fully filter into the index, but after a several-months dip in confidence, attitudes essentially returned to where they had been before the market downturn.

INCOME UP - The market aside, 1997 has so far been one of the best year's since the index's start over 11 years ago, presuming, of course, it ends the year averaging its current -4. Much of the engine behind the index's performance has been the personal finance rating. It has averaged 58 percent positive this year, a point better than its pre-recession average. In fact, it has only dipped below that latter average three times since Jan. 1.

The Commerce Department on Monday echoed what the ABC/Money index has basically been showing since the start of the year. The department reported the largest gain in personal income in eight months for February.

HARD TIME WOES - Of course, if six in 10 are positive about their pocket books, that leaves four in 10 who are not. And in a separate question, ABC and Money asked people whether they were having "a hard time making ends meet." The results run tandem with the personal finances question, with nearly four in 10 saying they were having a hard time, but six in 10 saying no, they were not.

The results showed that views of your own financial situation spill over onto to your views of the overall national economy: Fifty-one percent of those saying they were not having trouble making ends meet rated the economy positively. Only 33 percent of those reporting hard personal financial times had such views.

Similarly, 55 percent of those not having a hard time said it is a good time to buy things they want and need; just 15 percent of the "hard-timers" said that.

OVERALL INDEX - The overall index is just two points from the +1 it hit Feb. 9, which was its best since August 1986. It is recording 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 six points better than its pre-recession average, -9 from 1986-90.

	ABC/Money Index
Today	-3
Feb. 9	+1
1997 average	-4
1996 average	-11
1990-95	-30
1986-90	-9
Full average	-20

GAUGES - This week 467 percent of Americans rate the national economy positively, up a point from last week. It hit a record 52 percent positive in December. Thirty-nine percent rate the buying climate positively, down one point this week.

All three index 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	47	15	41
Buying climate	39	26	39
Personal finances	60	49	57

GROUPS - Confidence customarily lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is +11 among men but -14 among women; +2 among whites but -23 among blacks; +34 in higher-income households but -44 in the lowest; and +15 among people who have attended college but -26 among high school dropouts.

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

NATIONAL ECONOMY- Fifty-three percent rate the economy negatively, down 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 - Sixty percent rate their finances positively, up another 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-one percent call this a bad time to buy things, up 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	Personal	Buying
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18 - 34	-4	-4	-9	-4	-10	-1	-23	-8
35 - 44	1	2	1	-13	-16	3	-21	-8
45 - 54	-6	-9	-12	-1	-27	12	-27	-8
55 - 64	5	0	-2	-10	-12	17	-36	-6
65 +	2	-2	3	-4	-12	15	-18	-4
Income:								
Under \$15K	-44	-49	-51	-40	-57	-32	-58	-47
\$15K To \$24.9K	-24	-23	-18	-31	-38	-12	-40	-27
\$25K To \$39.9K	1	2	-5	-8	-11	5	-19	-8
\$40K To \$49.9K	9	3	0	-1	1	26	-10	7
Over \$50K	34	36	36	36	24	37	12	26
Region:								
Northeast	-8	-8	-9	-9	-17	2	-26	-13
Midwest	4	4	-8	-7	-1	10	-8	1
South	-9	-13	-6	-7	-20	2	-20	-9
West	7	8	5	-2	-22	8	-23	-9
Race:								
White	2	1	0	-2	-11	7	-11	-3
Black	-23	-28	-24	-25	-44	-10	-51	-32
Politics:								
Republican	8	3	3	6	0	17	-12	3
Democrat	-1	-4	0	-5	-22	10	-22	-7
Independent	-8	-6	-13	-14	-18	-4	-25	-13
Education:								
< High School	-26	-33	-36	-37	-46	-20	-47	-35
High Sch. Grad.	-15	-16	-13	-12	-21	-4	-22	-14
College +	15	17	12	9	1	17	1	8
Home:								
Own	7	4	3	-1	-9	10	-9	0
Rent	-24	-21	-24	-18	-29	-11	-36	-24
Marital Status:								
Single	-2	1	-5	-6	-12	1	-26	-11
Married	4	2	2	-1	-10	10	-10	-2
Sep/Wid/Div	-24	-25	-29	-22	-34	-9	-38	-24
Employ. Status:								
Full-Time	7	7	2	5	-8	11	-8	1
Part-Time	-16	-15	-8	-22	-17	5	-29	-16
Not Employed	-11	-14	-13	-16	-24	-5	-29	-16