

## Confidence Takes a Jab in the Ribs

Consumer confidence took a sharp jab in the ribs this week, falling to its lowest level since February—its biggest stumble in a banner year.

It was the second weekly decline for confidence in the ABC News/Money magazine poll, after a remarkable advance in which the ABC/Money Consumer Comfort Index set record highs in eight out of 10 weeks.

Sixty-seven percent of Americans still rate the economy positively, but that's down from a record 76 percent Feb. 22. Sixty-six percent rate their own finances positively, down from a record 68 percent the week before last. And 50 percent rate the buying climate positively, down from a record 54 percent, also the week before last.

	Positive Ratings		
	Today	Record high	12-yr. avg.
National Economy	67%	76	34
Personal Finances	66	68	55
Buying Climate	50	54	35

Ratings of the national economy, now nine points off their peak, bear close watching, since this measure has led the climb in consumer confidence. Even with its recent drop, it's still 33 points higher than its average in weekly polls since December 1985.

INDEX - The ABC/Money Consumer Comfort Index, based on these three gauges, stands at +22 on its scale of +100 to -100, down a substantial four points this week after losing three points last week. It's just the fourth week this year the index has lost ground..

The ABC/Money index peaked at +29 the week before last, and even with the subsequent decline it's still vastly better than usual. The 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.

	ABC/Money Index	
Today	+22	
Two weeks ago	+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 +33 among men compared to +11 among women, +25 among whites but -3 among blacks, +59 in higher-income households but -31 in the lowest and +43 among people who've attended college but -23 among high school dropouts.

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

NATIONAL ECONOMY- Sixty-seven 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-six percent rate their finances positively, down one point. The best was 68 percent March 22; the worst, 58 percent negative March 14, 1993.

BUYING CLIMATE - Fifty percent call this a good time to buy things, down three points. The best was 54 percent March 22; the worst was 80 percent negative Nov. 2 and Oct. 28, 1990.

	Positive ratings for...		
	National Economy	Personal Finances	Buying Climate
This week	67%	66	50
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 1,029 interviews in the month ending April 4 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.

04/05/98                      This   Last   4 Wks   3 Mo.   1 Yr.  
12 Mo   12 Mo   12 Mo

High	Low	Avg	Week	Week	Ago	Ago	Ago
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Group							
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GENERAL POPULATION:							
Overall Index			22	26	26	11	-1
29	-3	11					
State of Economy			34	38	46	22	-6
52	-8	19					
Personal Finances			32	34	30	20	22
36	14	23					
Buying Climate			0	6	2	-8	-20
8	-20	-9					

			OVERALL INDEX BY				
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DEMOGRAPHIC GROUPS							
Sex:							
Men			33	38	34	20	11
38	8	21					
Women			11	14	19	3	-13
20	-17	2					
Age:							
18 - 34			25	29	24	2	0
29	-6	7					
35 - 44			23	28	30	18	-1
37	-4	11					
45 - 54			12	20	19	22	-10
29	-10	12					
55 - 64			21	30	30	19	1
30	-10	13					
65 +			19	19	31	1	6
35	-10	16					
Income:							
Under \$15K			-31	-27	-26	-28	-41
-18	-50	-34					
\$15K To \$24.9K			3	14	9	-17	-20
14	-34	-11					
\$25K To \$39.9K			14	18	22	12	-2
24	-6	8					

	\$40K To \$49.9K	45	51	45	23	1
54	-4 21					
	Over \$50K	59	60	59	56	32
63	25 46					
	Region:					
	Northeast	16	17	15	4	-6
22	-7 7					
	Midwest	25	28	30	23	3
34	2 16					
	South	23	26	28	7	-9
29	-9 10					
	West	21	31	30	12	10
40	-10 11					
	Race:					
	White	25	30	33	16	1
33	-1 16					
	Black	-3	-4	-9	-18	-18
0	-42 -19					
	Politics:					
	Republican	31	33	32	23	10
41	9 24					
	Democrat	20	21	20	8	-4
25	-10 8					
	Independent	21	27	29	10	-4
30	-9 7					
	Education:					
	< High School	-23	-21	-1	-21	-25
-1	-38 -19					
	High Sch. Grad.	14	21	19	2	-11
22	-11 3					
	College +	43	46	41	29	14
48	10 27					
	Home:					
	Own	31	34	35	21	5
36	2 19					
	Rent	-2	4	7	-10	-19
9	-20 -8					
	Marital Status:					
	Single	28	29	21	6	-3
30	-8 5					
	Married	29	34	32	19	5
36	2 18					

	Sep/Wid/Div	-8	-5	10	-12	-22
18	-25 -10					
	Employ. Status:					
	Full-Time	31	35	32	23	6
35	6 19					
	Part-Time	12	17	20	1	-8
23	-10 4					
	Not Employed	11	14	21	-3	-10
25	-17 2					