

SURVEY#: 507      DATE: 2/06/96 TO 9/09/99      #INT: 1 GEN      USA  
ABC NEWS/MONEY CONSUMER INDEX - 4/7/96

EMBARGOED FOR RELEASE AFTER 6:30 p.m. Wednesday, April 10, 1996

VIEWS OF NATIONAL ECONOMY  
REACH THEIR BEST SINCE 1990

Public views of the national economy rose this week to their most positive - or more accurately, their least negative - in six years, the latest consumer confidence survey by ABC News and Money magazine has found.

Thirty-eight percent of Americans now say the economy's in "excellent" or "good" shape, while 62 percent rate it negatively ("not so good" or "poor"). While a majority is still negative, it's the least since April 8, 1990 - down from an average 67 percent this year and a huge 85 percent during the 1990-93 recession and its hangover.

Two other components of consumer confidence are less improved: Sixty-four percent call it a bad time to buy things, compared to a recent low of 60 percent in December. And 54 percent rate their own finances positively - a majority, but down from 59 percent in January and 61 percent last May.

INDEX - Together these three gauges form the ABC/Money Consumer Comfort Index, which rose one point this week to -15 on its scale of +100 to -100. That's back to where it was a month ago, after a negative dip.

The index averaged -9 in the late 1980s, then plunged to a dismal -39 from 1990-93. On average it's doing no better this year than last, the first time that's happened since 1992, when it hit its recession-inspired bottom.

	ABC/Money Index
Today	-15
Last week	-16
1996 average	-17
1995	-15
1994	-19
1993	-37
1992	-44
1990-93	-39
1986-90	-9

Had the three index components peaked in tandem - that is, if this week's six-year high for the economy were contemporaneous with the December and January highs for the buying climate and personal finances - the index would be -9, not -15, or back at its pre-recession average.

As it is, while the gauges still trail their pre-recession average, at least they are far better than their lows during the last recession.

	Today	1990-93	1986-90
Negative on national economy	62	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 -4 among men but -25 among women; +24 in higher-income households but -57 in the lowest; -11 among whites but -44 among blacks; and +1 among people who have attended college but -46 among high school dropouts.

Ratings specifically of the national economy reflect these differences. Sixty-nine percent of women rate the economy negatively; that falls to 55 percent of men. And 74 percent of low-income Americans rate it negatively; that falls to 50 percent of the best-off.

	% Negative on national economy
All	62
Men	55
Women	69
Under \$15K	74
Over \$50K	50
Whites	61
Blacks	74

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

NATIONAL ECONOMY- Sixty-two percent rate the economy negatively, down two points this week and the least since April 8, 1990. It's averaged 67 percent this 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 69 percent negative.

PERSONAL FINANCES - Fifty-four percent rate their finances positively, unchanged this week. It's averaged 56 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 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, 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	62% neg	54% pos	64% neg
1996 Average	67% neg	56% pos	65% neg
Recession Average (mid-1990 to 1993)	85% neg	51% neg	74% neg
Pre-Recession Avg.	59% neg	57% pos	61% neg

(1986 to mid-1990)

Full Average (1986-1995)	69% 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 1,035 interviews in the month ending April 7 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.

04/07/96	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
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Group	-----							
GENERAL POPULATION:								
Overall Index	-15	-16	-13	-17	-15	-9	-21	-15
State of Economy	-24	-28	-32	-32	-30	-24	-38	-31
Personal Finances	8	8	16	10	12	22	4	13
Buying Climate	-28	-28	-24	-30	-28	-20	-36	-27
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	-4	-7	-3	-1	-6	4	-13	-3
Women	-25	-23	-22	-32	-24	-19	-33	-26
Age:								
18 - 34	-10	-10	-10	-16	-13	-4	-19	-11
35 - 44	-16	-19	-17	-18	-14	4	-26	-15
45 - 54	-27	-24	-9	-30	-18	-3	-36	-17
55 - 64	-12	-17	-12	-8	-8	-2	-40	-18
65 +	-12	-11	-15	-18	-27	2	-34	-18
Income:								
Under \$15K	-57	-56	-44	-55	-48	-41	-61	-52
\$15K To \$24.9K	-38	-39	-30	-40	-36	-15	-48	-33
\$25K To \$39.9K	-11	-9	-14	-17	-3	-2	-29	-15
\$40K To \$49.9K	1	-3	2	-14	-6	8	-31	-4
Over \$50K	24	22	18	24	12	32	12	22
Region:								
Northeast	-17	-16	-18	-22	-29	-13	-34	-22
Midwest	-1	-5	-3	-8	-1	11	-21	-6

South	-20	-20	-21	-20	-13	-9	-25	-17
West	-22	-19	-3	-17	-21	0	-23	-14
Race:								
White	-11	-14	-10	-12	-11	-5	-15	-11
Black	-44	-30	-23	-56	-45	-23	-56	-41
Politics:								
Republican	0	-1	-2	-1	-1	6	-10	-2
Democrat	-22	-20	-16	-24	-19	-11	-28	-20
Independent	-18	-21	-15	-20	-22	-11	-26	-18
Education:								
< High School	-46	-47	-36	-48	-41	-30	-53	-42
High Sch. Grad.	-21	-23	-22	-30	-20	-15	-30	-23
College +	1	2	4	4	-1	7	-6	2
Home:								
Own	-9	-10	-6	-12	-10	-2	-15	-9
Rent	-29	-29	-30	-32	-31	-19	-38	-30
Marital Status:								
Single	-12	-19	-17	-12	-15	3	-19	-10
Married	-10	-9	-6	-14	-10	-4	-18	-10
Sep/Wid/Div	-34	-37	-31	-38	-37	-21	-45	-37
Employ. Status:								
Full-Time	-8	-8	-8	-8	-8	3	-14	-6
Part-Time	-17	-17	-8	-10	-25	-4	-35	-19
Not Employed	-24	-25	-20	-33	-22	-18	-35	-27