

SURVEY#: 507 DATE: 2/06/96 TO 9/09/99 #INT: 1 GEN USA
ABC NEWS/MONEY CONSUMER INDEX - 5/18/97
EMBARGOED FOR RELEASE AFTER 6:30 p.m. Wednesday, May 21, 1997

Ratings of the Economy
Approach a Record High

Consumer confidence remains remarkably strong this week, with ratings of the national economy moving within a point of their record high in the 11-year-old ABC News/Money magazine survey.

Fifty-one percent of Americans now rate the economy "excellent" or "good," compared to an average of just 32 percent in weekly surveys since late 1985. The record, 52 percent, was set Dec. 1.

Ratings of personal finances and the buying climate also are high, though not as far above average. Fifty-eight percent rate their finances positively (the 11-year average is 54 percent) and 40 percent call this a good time to spend money (average is 34 percent).

	Positive Ratings	
	Today	11-yr avg.
National Economy	51%	32%
Personal Finances	58	54
Buying Climate	40	34

The ABC/Money Consumer Comfort Index, based on these three gauges, stands at -1 on its scale of +100 to -100, up a point and very near its best ever, +1 in mid-April and early February.

The index has averaged -3 this year, making this easily its best year to date. It averaged a dismal -30 from 1990-95, and its lifetime average is -20.

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

The results coincide with other positive economic reports. Unemployment is at a 23-year low, inflation remains subdued and economic growth is said to be moderating to a more sustainable level.

GROUPS - Confidence customarily lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is +8 among men, but -8 among women; +4 among whites, but -32 among blacks; +37 in higher-income households, but -36 in the lowest; and +13 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-one percent rate the economy positively, up two points this week. It's averaged 48 percent this year; the average for the life of the

index is 32 percent. The best, 52 percent positive, was Dec. 1, 1996. The worst, 93 percent negative, was in late 1991 and early 1992.

PERSONAL FINANCES - Fifty-eight percent rate their finances positively, unchanged. It's averaged 59 percent this year; the average for the life of the index is 54 percent. The best, 63 percent positive, was April 13, 1997. The worst was 58 percent negative March 14, 1993.

BUYING CLIMATE - Sixty percent call this a bad time to buy things, unchanged. It's averaged 61 percent this year; the average for the life of the index is 66 percent. The worst was 80 percent negative Nov. 2 and Oct. 28, 1990; the best, 52 percent positive May 11, 1986.

	National Economy	Personal Finances	Buying Climate
This week	51% pos	58% pos	60% neg
1997 Average	52% neg	59% pos	61% 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-now)	68% neg	54% pos	66% neg
Worst	93% neg	58% neg	80% neg
Best	52% pos	63% 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 by ICR-International Communications Research of Media, Pa. This week's results are based on 1,034 interviews in the month ending May 20 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 polls are available in the ABC News area of America Online (keyword "ABC Polls") and on ABC News' new internet site, ABCNEWS.COM.

05/18/97	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
	-----	-----	-----	-----	-----	-----	-----	-----

Group

GENERAL POPULATION:

Overall Index	-1	-2	-2	-3	-11	1	-13	-6
State of Economy	2	-2	-8	0	-24	4	-28	-12
Personal Finances	16	16	20	18	16	26	10	17
Buying Climate	-20	-20	-18	-26	-26	-18	-30	-23

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:								
Men	8	13	15	5	-1	15	-5	5
Women	-8	-14	-17	-9	-20	-5	-25	-16
Age:								
18 - 34	-5	-2	3	-7	-8	5	-23	-6
35 - 44	3	3	-2	-4	-11	5	-21	-7
45 - 54	2	0	-6	-9	-19	12	-22	-6
55 - 64	-4	-3	-6	15	-12	17	-36	-5
65 +	6	-8	-2	6	-13	15	-13	-3
Income:								
Under \$15K	-36	-35	-46	-44	-53	-32	-58	-46
\$15K To \$24.9K	-19	-22	-17	-12	-22	-8	-40	-24
\$25K To \$39.9K	1	-6	-1	-8	-7	5	-19	-6
\$40K To \$49.9K	2	8	1	9	-10	26	-10	7
Over \$50K	37	36	25	37	16	37	12	27
Region:								
Northeast	-1	-5	-5	0	-24	2	-26	-11
Midwest	9	5	2	-2	-6	10	-8	1
South	-3	0	-4	-4	-5	2	-15	-7
West	-5	-8	0	-3	-14	11	-23	-7
Race:								
White	4	1	1	2	-7	7	-10	-2
Black	-32	-20	-19	-16	-25	-10	-48	-30
Politics:								
Republican	10	9	13	11	3	17	-12	4
Democrat	-2	-7	-4	1	-10	10	-19	-6
Independent	-9	-6	-6	-13	-20	-3	-20	-12
Education:								
< High School	-26	-33	-23	-30	-40	-13	-47	-33
High Sch. Grad.	-6	-7	-7	-7	-16	-4	-22	-13
College +	13	14	10	11	2	17	2	9
Home:								
Own	4	2	4	6	-2	10	-7	1
Rent	-14	-13	-19	-22	-32	-11	-36	-23
Marital Status:								
Single	-3	3	-4	-6	-16	3	-26	-9
Married	7	3	4	5	-6	10	-9	0
Sep/Wid/Div	-20	-23	-25	-28	-30	-9	-32	-23
Employ. Status:								
Full-Time	8	8	6	4	-2	12	-5	2
Part-Time	-10	-10	-5	-3	-13	5	-29	-15
Not Employed	-9	-13	-12	-10	-25	-5	-25	-15