

ABC NEWS/MONEY CONSUMER INDEX - 5/17/98

EMBARGOED FOR RELEASE AFTER 6:30 p.m. Wednesday, May 20, 1998

Confidence Moves Back Up

Improved views of the national economy this week pushed consumer confidence to its best level since mid-April, the latest ABC News/Money magazine poll has found.

While down from its peak in March, confidence is very high: Seventy-one percent of Americans say the economy is in good shape, five points from the record set Feb. 22. Sixty-four percent rate their own finances positively, four points from the record; and 51 percent call it a good time to spend money, three points from the record.

	Positive Ratings		
	Today	Record high	12-yr. avg.
National Economy	71%	76	34
Personal Finances	64	68	55
Buying Climate	51	54	36

INDEX - The ABC/Money Consumer Comfort Index, based on these gauges, is up three points this week to +24 on its scale of +100 to -100. It reached +29 on March 22, then lost ground, and has wobbled between +19 and +24 since early April.

This up-and-down trend follows a remarkable advance in which the index set record highs in eight out of 10 weeks, boosted by low inflation, low unemployment and growing personal incomes. Confidence still is far better than usual; compare its current level to the index's lifetime average, -17, or even its previous best year, an average of +5 last year.

	ABC/Money Index	
Today	+24	
March 22	+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 +39 among men compared to +9 among women, +30 among whites but -7 among blacks, +55 in higher-income households but -35 in the lowest and +42 among people who've attended college but -14 among high school dropouts.

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

NATIONAL ECONOMY- Seventy-one percent of Americans rate the economy positively, up 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-four percent rate their finances positively, up one point. The best was 68 percent March 22; the worst, 58 percent negative March 14, 1993.

BUYING CLIMATE - Fifty-one percent call this a good time to buy things, unchanged. 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	71%	64	51
Full average	34	55	36
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 1,032 interviews in the month ending May 10 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.

05/17/98	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	24	21	19	21	-1	29	-1	14
State of Economy	42	36	32	44	2	52	2	24
Personal Finances	28	26	28	22	16	36	14	24
Buying Climate	2	2	-2	-2	-20	8	-20	-6

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	39	35	29	25	8	39	8	23
Women	9	8	11	17	-8	20	-8	5
Age:								
18 - 34	22	20	14	9	-5	29	-6	9

35 - 44	17	18	17	26	3	37	-4	13
45 - 54	25	18	20	26	2	29	2	14
55 - 64	38	24	21	19	-4	38	-5	16
65 +	33	31	28	31	6	35	-2	19
Income:								
Under \$15K	-35	-36	-30	-28	-36	-18	-47	-32
\$15K To \$24.9K	13	6	-11	4	-19	14	-34	-9
\$25K To \$39.9K	25	17	16	7	1	25	-6	11
\$40K To \$49.9K	40	34	44	34	2	54	-4	25
Over \$50K	55	57	56	62	37	63	33	48
Region:								
Northeast	19	18	23	21	-1	26	-4	10
Midwest	23	23	21	29	9	34	6	19
South	23	23	25	25	-3	29	-6	13
West	28	18	4	6	-5	40	-5	12
Race:								
White	30	26	22	28	4	33	4	19
Black	-7	-8	2	-21	-32	4	-42	-17
Politics:								
Republican	40	39	33	32	10	41	10	27
Democrat	23	20	21	19	-2	25	-2	10
Independent	21	17	9	15	-9	30	-9	9
Education:								
< High School	-14	-11	-13	-13	-26	1	-38	-17
High Sch. Grad.	16	14	13	16	-6	22	-10	5
College +	42	36	36	36	13	48	13	30
Home:								
Own	28	28	30	30	4	36	4	21
Rent	11	4	-5	0	-14	11	-20	-6
Marital Status:								
Single	25	19	17	16	-3	30	-8	7
Married	29	27	27	26	7	36	7	21
Sep/Wid/Div	7	5	-6	8	-20	18	-24	-7
Employ. Status:								
Full-Time	35	28	25	30	8	35	8	21
Part-Time	13	17	19	9	-10	24	-10	6
Not Employed	10	11	11	13	-9	25	-13	5