

SURVEY#: 507 DATE: 2/06/96 TO 9/09/99 #INT: 1 GEN USA
ABC NEWS/MONEY CONSUMER INDEX - 5/19/96

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CONFIDENCE SLIPS ANOTHER NOTCH

Consumer confidence backed off another notch this week, slipping further away from the more than five-year high it hit last month.

The ABC News/Money magazine Consumer Comfort Index, based on views of the economy, personal finances and the buying climate, lost a point to -14 on its scale of +100 to -100. It now has lost five points in five weeks.

The index averaged -9 from 1986 to mid-1990, then plummeted with the start of the recession, averaging -39 through 1993. It recovered solidly in 1994 and a bit more in 1995, but has been flat overall this year.

At -14, confidence today is far better than it was in the recession and its hangover. Yet it's still not back to its pre-recession days. The index has only touched its pre-recession average three times in the 1990s - last month, last September and last June - and promptly fell back each time.

	ABC/Money Index
Today	-14
April 14	-9
1996 average	-15
1995	-15
1994	-19
1993	-37
1992	-44
1990-93	-39
1986-90	-9

INDICES - Sixty-three percent of Americans now say the economy is in bad shape - a majority, but well under the 1990-93 average, 85 percent negative. Sixty-five percent call it a bad time to buy things, the most since Feb. 25. In the one positive measure, 57 percent say their own finances are OK.

	Today	1990-93	1986-90
Negative on national economy	63	85	59
Negative on buying climate	65	74	61
Positive on personal finances	57	49	57

GROUPS - As usual, confidence lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is -5 among men but -20 among women; +21 in higher-income households but -48 in the lowest; -10 among whites but -27 among blacks; and +1 among people who have attended college but -42 among high school dropouts.

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

NATIONAL ECONOMY- Sixty-three percent rate the economy negatively, up one point this week. It's averaged 65 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-seven percent rate their finances positively, unchanged. It's averaged 57 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-five percent call this a bad time to buy things, up a point this week. It's averaged 64 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	63% neg	57% pos	65% neg
1996 Average	65% neg	57% pos	64% 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 (1986-1995)	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 1,031 interviews in the month ending May 19 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.

05/19/96 This Last 4 Wks 3 Mo. 1 Yr. 12 Mo 12 Mo 12 Mo
 Week Week Ago Ago Ago High Low Avg

Group

GENERAL POPULATION:

Overall Index	-14	-13	-11	-17	-10	-9	-21	-15
State of Economy	-26	-24	-24	-36	-28	-18	-38	-31
Personal Finances	14	14	14	14	20	20	4	13
Buying Climate	-30	-28	-24	-28	-22	-20	-36	-27

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:

Men	-5	-2	0	-2	2	4	-13	-3
Women	-20	-22	-20	-30	-20	-19	-33	-25

Age:

18 - 34	-11	-12	-13	-11	-11	-4	-19	-11
35 - 44	-14	-10	-7	-21	-12	4	-26	-14
45 - 54	-19	-13	-12	-9	-10	-3	-36	-16
55 - 64	-12	-9	-9	-40	-12	-2	-40	-18
65 +	-15	-18	-11	-10	-3	-2	-34	-18

Income:

Under \$15K	-48	-43	-48	-51	-49	-41	-61	-52
\$15K To \$24.9K	-33	-36	-33	-30	-15	-15	-48	-34
\$25K To \$39.9K	-15	-13	-12	-25	-7	-2	-29	-15
\$40K To \$49.9K	-8	-2	21	1	0	21	-31	-2
Over \$50K	21	24	21	23	19	32	12	22

Region:

Northeast	-26	-19	-17	-29	-19	-13	-34	-22
Midwest	-8	-8	5	-15	-5	11	-21	-6
South	-7	-9	-13	-19	-11	-7	-25	-17
West	-17	-17	-19	-2	-3	0	-23	-14

Race:

White	-10	-9	-5	-13	-6	-4	-15	-10
Black	-27	-32	-47	-41	-38	-23	-56	-41

Politics:

Republican	0	1	5	0	6	9	-10	-1
Democrat	-10	-11	-12	-27	-18	-7	-28	-20
Independent	-25	-20	-18	-14	-11	-11	-26	-19

Education:

< High School	-42	-36	-41	-43	-34	-34	-53	-43
High Sch. Grad.	-17	-21	-15	-25	-15	-10	-30	-23
College +	1	4	4	0	3	7	-6	2

Home:

Own	-4	-4	-5	-10	-3	-3	-15	-9
Rent	-34	-30	-27	-31	-26	-19	-38	-30

Marital Status:

Single	-16	-16	-13	-11	-14	-1	-19	-11
Married	-8	-7	-5	-10	-6	-3	-18	-10
Sep/Wid/Div	-31	-31	-33	-41	-21	-21	-45	-37

Employ. Status:

Full-Time	-3	-1	0	-10	-2	3	-14	-5
Part-Time	-12	-11	-12	-24	-14	-4	-35	-18
Not Employed	-29	-28	-24	-30	-19	-17	-35	-27