

ABC NEWS/MONEY CONSUMER INDEX - 5/21/00

EMBARGOED FOR RELEASE AFTER 6:30 p.m. Wednesday, May 24, 2000

Confidence Rebounds

Consumer confidence rebounded slightly this week, turning up despite stock market volatility and the Fed's latest interest rate hike.

Confidence has ebbed since peaking in January. This week's rise is its first in more than a month, with positive ratings of the national economy their best in more than two months.

Seventy-six percent of Americans now say the economy is in good shape, just four points from January's record and nearly double the 14-year average. Sixty-seven percent rate their own finances positively and 50 percent say it's a good time to buy things.

Positive ratings:	Today	----- Since 12/85 ----		
		Highest	Lowest	Average
National Economy	76%	80	7	40
Personal Finances	67	70	42	57
Buying Climate	50	57	20	38

INDEX - The ABC News/Money magazine Consumer Comfort Index, based on these ratings, stands at +29 on its scale of +100 to -100, up three points from last week. The index peaked Jan.16 at +38.

Confidence has been soaring for two years, boosted by growing incomes, low inflation, low interest rates and the strongest job market in 30 years. The index has averaged +30 this year, two points above its record 1999 average. Its lifetime average, depressed by recession in the early 1990s, is just -11.

	ABC/Money	Index
Today	+29	
Jan. 16, 2000	+38	Record High
2000 average	+30	
1999 average	+28	Best full year
1992 average	-44	Worst full year
Feb. 9, 1992	-50	Record low
Average since 12/85	-11	

Call the ABC News Polling Unit, ext. 2621, for a chart tracking the index over time.

GROUPS - As usual, confidence is higher among better-off Americans: The index is +57 in higher-income households compared to -16 in the lowest; +46 among college graduates but -7 among high-school dropouts; +35 among whites but -5 among blacks; and +34 among men compared to +23 among women.

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

NATIONAL ECONOMY- The poll asks: Would you describe the state of the nation's economy these days as excellent, good, not so good or poor? Seventy-six percent say excellent or good, up three points from last week. The record, 80 percent, was set on Jan. 16, 2000. The worst rating was seven percent in late 1991 and early 1992.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	76%	15	61	24	17	7
Avg. since 12/85	40	4	36	60	40	21

PERSONAL FINANCES - The poll asks: Would you describe the state of your own personal finances these days as excellent, good, not so good or poor? Sixty-seven percent say excellent or good, the same as last week. The record, 70 percent, was set Aug. 30, 1998 and last matched in January. The worst was 42 percent on March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	67%	8	59	33	23	10
Avg. since 12/85	57	5	52	43	31	13

BUYING CLIMATE - The poll asks: Considering the cost of things today and your own personal finances, would you say now is an excellent time, a good time, a not-so-good time or a poor time to buy the things you want and need? Fifty percent say excellent or good, up one point from last week. The record, 57 percent, was set Jan. 16, 2000. The worst rating, 20 percent, was set in fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	50%	4	46	50	34	16
Avg. since 12/85	38	3	35	62	41	21

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 1,031 interviews in the week ending May 21 and have an error margin of plus or minus three percentage points. Fieldwork by ICR-International Communications Research of Media, Pa.

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 Dalia Sussman.

ABC News polls can be found at ABCNEWS.com on the Internet, at:

<http://abcnews.go.com/sections/politics/PollVault/PollVault.html>

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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	29	26	27	29	27	38	22	28
State of Economy	52	46	46	50	44	60	38	47
Personal Finances	34	34	32	32	36	40	28	34
Buying Climate	0	-2	4	4	2	14	-4	4

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:

Men	34	35	36	38	35	45	30	36
Women	23	18	18	18	19	30	11	20

Age:

18 - 34	29	27	26	27	24	37	16	25
35 - 44	24	22	27	27	28	37	13	28
45 - 54	33	38	34	11	25	45	11	29
55 - 64	36	27	23	29	30	48	16	31
65 +	20	14	24	45	34	45	14	29

Income:

Under \$15K	-16	-25	-26	-22	-28	-12	-42	-25
\$15K To \$24.9K	13	6	-5	-6	8	26	-11	2
\$25K To \$39.9K	23	27	24	27	24	33	8	23
\$40K To \$49.9K	34	29	35	40	47	60	26	42
Over \$50K	57	57	63	59	57	68	53	60

Region:

Northeast	37	36	32	27	24	48	20	32
Midwest	33	32	38	34	35	41	20	31
South	20	20	21	17	27	31	14	23
West	29	20	17	40	21	43	13	28

Race:

White	35	33	31	34	30	43	26	33
Black	-5	-10	-1	-5	3	25	-15	1

Politics:

Republican	39	40	37	48	33	55	32	42
Democrat	29	24	31	28	25	38	15	27
Independent	28	25	18	16	24	29	13	22

Education:

< High School	-7	-9	-9	4	6	9	-27	-10
High Sch. Grad.	20	15	14	8	14	32	8	19
College +	46	45	47	49	42	53	38	46

Home:

Own	36	32	33	37	32	44	28	35
Rent	8	9	11	7	14	22	-3	9

Marital Status:

Single	27	25	23	27	18	36	8	24
Married	36	32	31	33	33	44	27	34
Sep/Wid/Div	4	2	11	6	12	17	-9	7

Employ. Status:

Full-Time	34	32	37	31	37	44	29	36
Part-Time	25	29	29	18	14	38	7	22
Not Employed	21	17	11	27	15	28	8	18

END