

Confidence Stalls Below its Peak

Consumer confidence remained stalled this week in the narrow band it's been occupying for most of the last quarter – much better than usual, but still off its January peak.

Ratings of the buying climate have ebbed the most. Forty-nine percent of Americans now call it a good time to buy things, eight points below the record, 57 percent, set Jan. 16. Higher gasoline prices are probably one factor.

Still, this rating is 11 points better than its average since the mid-1980s. And two other measures remain stronger: Seventy-six percent say the national economy is in good shape and 66 percent rate their own finances positively, each four points from its high.

	Today	Highest	Lowest	Average
Positive ratings:				
National Economy	76%	80	7	40
Personal Finances	66	70	42	57
Buying Climate	49	57	20	38

INDEX - The ABC News/Money magazine Consumer Comfort Index, based on these ratings, stands at +27 on its scale of +100 to -100, down two points from last week. The index has slipped since it peaked at +38 on Jan.16, ranging from +25 to +29 since mid-March.

While off its peak, confidence is still high by any standard, boosted by growing incomes, low inflation, low interest rates and the strongest job market in 30 years. The index's lifetime average, depressed by recession in the early 1990s, is just -11.

	ABC/Money Index	
Today	+27	
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 +56 in higher-income households compared to -23 in the lowest, +45 among college

graduates but -13 among high-school dropouts, +34 among whites but -11 among blacks and +32 among men compared to +21 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, same as 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%	14	62	24	18	6
Avg. since 12/85	40	4	36	60	40	20

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-six percent say excellent or good, down a point from 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	66%	8	58	34	22	12
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? Forty-nine percent say excellent or good, down a 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	49%	4	45	51	35	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 1,028 interviews in the week ending May 28 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 Gary Langer.

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:

Group	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
Overall Index	27	29	27	31	27	38	22	28
State of Economy	52	52	46	54	44	60	38	47
Personal Finances	32	34	32	34	36	40	28	34
Buying Climate	-2	0	4	4	2	14	-4	4

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Group	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
Sex:								
Men	32	34	34	36	35	45	30	36
Women	21	23	21	24	20	30	11	20
Age:								
18 - 34	29	29	21	34	21	37	16	25
35 - 44	22	24	27	22	33	37	13	28
45 - 54	29	33	42	17	31	45	11	29
55 - 64	29	36	25	32	27	48	16	31
65 +	19	20	28	44	27	45	14	28
Income:								
Under \$15K	-23	-16	-23	-14	-28	-12	-42	-25
\$15K To \$24.9K	7	13	3	-2	6	26	-11	2
\$25K To \$39.9K	30	23	24	29	27	33	8	24
\$40K To \$49.9K	34	34	29	41	41	60	26	41
Over \$50K	56	57	59	62	59	68	53	60
Region:								
Northeast	38	37	35	27	28	48	20	32
Midwest	28	33	36	35	34	41	20	31
South	17	20	20	21	28	31	14	23
West	28	29	21	39	17	43	13	28
Race:								
White	34	35	32	35	29	43	26	33
Black	-11	-5	-3	9	14	25	-15	0
Politics:								
Republican	39	39	38	46	35	55	32	42
Democrat	29	29	30	25	25	38	15	27
Independent	20	28	20	26	24	29	13	21
Education:								
< High School	-13	-7	-8	-5	2	9	-27	-10
High Sch. Grad.	18	20	18	15	14	32	8	19
College +	45	46	45	51	44	53	38	46
Home:								
Own	35	36	35	37	34	44	28	35
Rent	5	8	6	13	9	22	-3	9
Marital Status:								
Single	19	27	28	32	23	36	8	24
Married	36	36	32	35	32	44	27	34
Sep/Wid/Div	2	4	10	7	8	17	-9	7
Employ. Status:								
Full-Time	35	34	34	34	36	44	29	36
Part-Time	28	25	28	26	16	38	7	22
Not Employed	14	21	18	25	17	28	8	18

END