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ABC NEWS/MONEY CONSUMER INDEX - 6/2/96

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CONFIDENCE MOVES UP

Consumer confidence ended May positively after a mid-month dip, moving back near the benchmark it hasn't surpassed since early 1990, the latest ABC News/Money magazine poll has found.

The ABC/Money Consumer Comfort Index gained a point to -10 on its scale of +100 to -100, after a three-point gain last week. That puts it back near -9, the benchmark it's reached three times since early 1990, but never exceeded.

The index is based on views of the economy, personal finances and the buying climate. It averaged -9 from 1986 to mid-1990, then plummeted with the recession, averaging -39 through 1993. It recovered solidly in 1994 and a bit more in 1995, but has averaged no better this year than last.

	ABC/Money Index
Today	-10
1996 average	-15
1995	-15
1994	-19
1993	-37
1992	-44
1990-93	-39
1986-90	-9

The index reached -9 five weeks ago, and twice previously in this decade - in September and June 1995. All three times, though, it quickly turned back.

INDICES - In the only positive measure in the index, 59 percent of Americans say their own finances are in pretty good shape - the most since January and two points better than the pre-recession (1986-90) average.

Sixty-three percent say the economy is in bad shape - a majority, but well under the 1990-93 average, 85 percent negative. And 61 percent call it a bad time to buy things, down two points this week on top of two last week.

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

GROUPS - As usual, confidence lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is +3 among men but -22 among women; +19 in higher-income households but -57 in the lowest; -4 among whites but -32 among blacks; and +4 among people who have attended college but -39 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-nine percent rate their finances positively, up one point. 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-one percent call this a bad time to buy things, down two points 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	59% pos	61% 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 1,035 interviews in the month ending June 2 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.

06/02/96

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	-10	-11	-11	-16	-9	-9	-21	-15
State of Economy	-26	-24	-22	-34	-26	-18	-38	-31
Personal Finances	18	16	16	14	20	20	4	13
Buying Climate	-22	-26	-26	-28	-22	-20	-36	-27

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:								
Men	3	-1	0	-3	4	4	-13	-3
Women	-22	-20	-20	-27	-22	-19	-33	-25
Age:								
18 - 34	-6	-8	-13	-10	-6	-4	-19	-11
35 - 44	-13	-11	-4	-18	-15	4	-26	-14
45 - 54	-9	-19	-9	-13	-3	-3	-36	-16
55 - 64	-18	-12	-12	-20	-27	-2	-40	-18
65 +	-9	-13	-13	-22	-3	-2	-34	-18
Income:								
Under \$15K	-57	-53	-44	-46	-59	-41	-61	-52
\$15K To \$24.9K	-17	-22	-34	-29	-20	-17	-48	-34
\$25K To \$39.9K	-9	-7	-12	-22	-4	-2	-29	-15
\$40K To \$49.9K	2	-10	9	-4	2	21	-31	-2
Over \$50K	19	16	25	18	23	32	12	22
Region:								
Northeast	-21	-24	-20	-21	-14	-13	-34	-22
Midwest	3	-6	-1	-5	-1	11	-21	-6
South	-8	-5	-10	-24	-16	-5	-25	-17
West	-17	-14	-13	-7	-3	0	-23	-14
Race:								
White	-4	-7	-5	-12	-5	-4	-15	-10
Black	-32	-25	-36	-37	-32	-23	-56	-41
Politics:								
Republican	7	3	5	-3	5	9	-10	-1
Democrat	-11	-10	-7	-23	-18	-7	-28	-20
Independent	-19	-20	-22	-15	-11	-11	-26	-19
Education:								
< High School	-39	-40	-35	-39	-38	-35	-53	-43
High Sch. Grad.	-14	-16	-18	-24	-15	-10	-30	-23
College +	4	2	5	0	5	7	-6	2
Home:								
Own	1	-2	-4	-9	-3	1	-15	-9
Rent	-36	-32	-26	-28	-28	-19	-38	-30
Marital Status:								
Single	-15	-16	-16	-10	-7	-1	-19	-11
Married	-4	-6	-4	-11	-5	-3	-18	-10
Sep/Wid/Div	-31	-30	-33	-35	-30	-30	-45	-37
Employ. Status:								
Full-Time	1	-2	2	-8	-1	3	-14	-5
Part-Time	-19	-13	-15	-12	-16	-4	-35	-18
Not Employed	-23	-25	-26	-26	-19	-17	-35	-27