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ABC NEWS/MONEY CONSUMER INDEX - 6/9/96

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CONSUMER CONFIDENCE:  
BACK TO THE WOBBLES

Public faith in the economy resumed its wobbling ways this week, losing ground after two weeks of modest gains.

The ABC News/Money magazine Consumer Comfort Index lost two points to -12 on its scale of +100 to -100, slipping farther from the -9 benchmark that 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	-12
1996 average	-15
1995	-15
1994	-19
1993	-37
1992	-44
1990-93	-39
1986-90	-9

The index reached -9 in mid-April, 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, 58 percent of Americans say their own finances are in pretty good shape - down a point this week, but still a point better than the pre-recession (1986-90) average.

Sixty-four percent say the economy is in bad shape - a majority, but well under the 1990-93 average, 85 percent negative - and 62 percent call it a bad time to buy things. Each of those is a point worse than last week.

	Today	1990-93	1986-90
Negative on national economy	64	85	59
Negative on buying climate	62	74	61
Positive on personal finances	58	49	57

GROUPS - As usual, confidence lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is 0 among men but -21 among women; +17 in higher-income households but -58 in the lowest; -5 among whites but -40 among blacks; and +2 among people who have attended college but -39 among high school dropouts.

EXPECTATIONS - The ABC/Money poll separately tracks expectations for the economy's future - and they're not especially bright. Currently just 12 percent of Americans think the economy's getting better, the least since October 1993.

Far more, 43 percent, say it's getting worse.

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

NATIONAL ECONOMY- Sixty-four 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-eight percent rate their finances positively, down 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-two percent call this a bad time to buy things, up one 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	64% neg	58% pos	62% 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 1,042 interviews in the month ending June 9 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.

06/09/96	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
Group								
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GENERAL POPULATION:								
Overall Index	-12	-10	-13	-13	-10	-9	-21	-15
State of Economy	-28	-26	-24	-32	-30	-18	-38	-31
Personal Finances	16	18	14	16	20	20	4	12
Buying Climate	-24	-22	-28	-24	-20	-20	-36	-27
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	0	3	-2	-3	3	4	-13	-3
Women	-21	-22	-22	-22	-22	-19	-33	-25
Age:								
18 - 34	-11	-6	-12	-10	-6	-4	-19	-11
35 - 44	-14	-13	-10	-17	-14	4	-26	-14
45 - 54	-14	-9	-13	-9	-4	-4	-36	-17
55 - 64	-12	-18	-9	-12	-26	-2	-40	-17
65 +	-5	-9	-18	-15	-10	-2	-34	-18
Income:								
Under \$15K	-58	-57	-43	-44	-59	-41	-61	-52
\$15K To \$24.9K	-12	-17	-36	-30	-24	-12	-48	-34
\$25K To \$39.9K	-14	-9	-13	-14	-2	-2	-29	-15
\$40K To \$49.9K	0	2	-2	2	4	21	-31	-2
Over \$50K	17	19	24	18	21	32	12	22
Region:								
Northeast	-23	-21	-19	-18	-17	-13	-34	-22
Midwest	2	3	-8	-3	-5	11	-21	-6
South	-11	-8	-9	-21	-16	-5	-25	-17
West	-14	-17	-17	-3	0	0	-23	-15
Race:								
White	-5	-4	-9	-10	-7	-4	-15	-10
Black	-40	-32	-32	-23	-30	-23	-56	-41
Politics:								
Republican	6	7	1	-2	4	9	-10	-1
Democrat	-14	-11	-11	-16	-17	-7	-28	-20
Independent	-19	-19	-20	-15	-12	-12	-26	-19
Education:								
< High School	-39	-39	-36	-36	-42	-35	-53	-43
High Sch. Grad.	-16	-14	-21	-22	-16	-10	-30	-23
College +	2	4	4	4	6	7	-6	2
Home:								
Own	0	1	-4	-6	-4	1	-15	-9
Rent	-35	-36	-30	-30	-28	-19	-38	-30
Marital Status:								
Single	-18	-15	-16	-17	-9	-1	-19	-12
Married	-5	-4	-7	-6	-4	-3	-18	-10
Sep/Wid/Div	-30	-31	-31	-31	-34	-30	-45	-37
Employ. Status:								
Full-Time	-3	1	-1	-8	2	3	-14	-5

Part-Time	-21	-19	-11	-8	-23	-4	-35	-19
Not Employed	-19	-23	-28	-20	-22	-17	-35	-27