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 ABC NEWS/MONEY CONSUMER INDEX - 6/16/96

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SUMMERTIME BOOST FOR  
 CONSUMER CONFIDENCE

Consumer confidence stepped back up to its pre-recession level this week, celebrating the arrival of summer with a customary seasonal gain.

The ABC News/Money magazine Consumer Comfort Index gained three points to -9 on its scale of +100 to -100, only the fourth time since the 1990-91 recession it's been this high. It hasn't been higher since Jan. 14, 1990.

The index is based on views of the economy, personal finances and the buying climate. With inflation still low, ratings of the buying climate led the way this week, rising to their best level since September 1989.

The index 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 barely better this year than last.

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

SEASONAL - While confidence has moved up from -14 last month to -9 now, experience suggests this is mainly a seasonal improvement. The index has improved in June or early July in nine of the last 11 years.

		Change		Change	
	6/16/96	-9	+5		
	5/19/96	-14			
		Change		Change	
6/11/95	-9	+5	6/11/89	-9	+12
4/30/95	-14		5/14/89	-21	
7/3/94	-14	+7	6/12/88	-5	+9
5/22/94	-21		5/8/88	-14	
6/21/92	-39	+6	6/21/87	-7	+6
5/24/92	-45		5/24/87	-13	
6/24/90	-14	+7	6/15/86	+6	+5
6/3/90	-21		5/25/86	+1	

Still, this week's gain gives the confidence another chance to break the barrier it's reached but never breached in post-recession times: The index hit -9 in mid-April and in September and June 1995, but quickly turned back.

INDICES - This week 41 percent of Americans call it a good time to buy things they want and need - still well short of a majority, but the most since Sept. 10, 1989, and much better than the 1990-93 average.

Sixty-two percent say the economy is in bad shape - another negative reading, but again much better than the 1990-93 average. In the only positive measure, 58 percent say their own finances are in pretty good shape - a point better than the pre-recession (1986-90) average.

	Today	1990-93	1986-90
Negative on national economy	62	85	59
Negative on buying climate	59	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 +5 among men but -20 among women; +20 in higher-income households but -57 in the lowest; -2 among whites but -43 among blacks; and +9 among people who have attended college but -35 among high school dropouts.

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

NATIONAL ECONOMY- Sixty-two percent rate the economy negatively, down two points 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, 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 - Fifty-nine percent call this a bad time to buy things, down three 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	62% neg	58% pos	59% neg
1996 Average	65% neg	57% pos	64% neg
Recession Average (mid-1990 to 1993)	85% neg	51% neg	74% neg
Pre-Recession Avg.	59% neg	57% pos	61% neg

(1986 to mid-1990)

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 1,041 interviews in the month ending June 16 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.

06/16/96	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
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Group	-----							
GENERAL POPULATION:								
Overall Index	-9	-12	-14	-15	-14	-9	-21	-15
State of Economy	-24	-28	-26	-32	-34	-18	-38	-30
Personal Finances	16	16	14	14	16	18	4	12
Buying Climate	-18	-24	-30	-28	-24	-18	-36	-27
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	5	0	-5	-9	0	5	-13	-3
Women	-20	-21	-20	-22	-26	-19	-33	-25
Age:								
18 - 34	-7	-11	-11	-12	-4	-4	-19	-11
35 - 44	-14	-14	-14	-21	-18	4	-26	-14
45 - 54	-11	-14	-19	-12	-14	-7	-36	-17
55 - 64	-10	-12	-12	-11	-30	-2	-40	-17
65 +	-2	-5	-15	-19	-14	-2	-34	-18
Income:								
Under \$15K	-57	-58	-48	-48	-58	-41	-61	-52
\$15K To \$24.9K	-15	-12	-33	-38	-29	-12	-48	-34
\$25K To \$39.9K	-11	-14	-15	-14	-6	-2	-29	-15
\$40K To \$49.9K	9	0	-8	0	-5	21	-31	-2
Over \$50K	20	17	21	17	19	32	12	22
Region:								
Northeast	-15	-23	-26	-17	-24	-13	-34	-22

Midwest	0	2	-8	-6	-4	11	-21	-5
South	-11	-11	-7	-21	-18	-5	-25	-17
West	-5	-14	-17	-15	-6	-2	-23	-15
Race:								
White	-2	-5	-10	-13	-10	-2	-15	-10
Black	-43	-40	-27	-25	-35	-23	-56	-41
Politics:								
Republican	10	6	0	-7	1	10	-10	-1
Democrat	-13	-14	-10	-15	-21	-7	-28	-20
Independent	-11	-19	-25	-20	-16	-11	-26	-19
Education:								
< High School	-35	-39	-42	-42	-43	-35	-53	-43
High Sch. Grad.	-17	-16	-17	-25	-22	-10	-30	-23
College +	9	2	1	1	3	9	-6	2
Home:								
Own	1	0	-4	-9	-5	1	-15	-9
Rent	-29	-35	-34	-29	-38	-19	-38	-30
Marital Status:								
Single	-14	-18	-16	-19	-8	-1	-19	-12
Married	-1	-5	-8	-8	-8	-1	-18	-10
Sep/Wid/Div	-28	-30	-31	-35	-36	-28	-45	-37
Employ. Status:								
Full-Time	2	-3	-3	-11	-2	3	-14	-5
Part-Time	-25	-21	-12	-11	-19	-4	-35	-19
Not Employed	-19	-19	-29	-23	-28	-17	-35	-27