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ABC NEWS/MONEY CONSUMER INDEX - 6/22/97  
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VIEWS OF THE ECONOMY  
HIT ANOTHER NEW HIGH

Ratings of the national economy pushed ahead to a new high this week in the 11-year-old ABC News/Money magazine survey, while the poll's broader Consumer Comfort Index held steady at last week's all-time record.

Fifty-seven percent of Americans now say the economy is in good shape, the most ever in 600 consecutive weeks of polling. By contrast, on average only 32 percent have rated the economy positively since the poll began.

Sixty-three percent rate their own finances positively, tying the record set first April 13 and again last week. And while 56 percent call this a bad time to spend money, that's the least since September 1986.

The ABC/Money Consumer Comfort Index, based on these gauges, stands at +9 on its scale of +100 to -100. Its previous best was +8 on May 11, 1986.

The index in fact is marginally higher this week than last, given the one-point gain in ratings of the economy. Last week it was 8.7; this week, 9.3. Decimals are rounded in these reports.

RECOVERY - Faith in the economy has staged a dramatic turnaround in the last five years. Hammered by recession and slow-growing income, the index averaged a dismal -30 from 1990-95, falling as low as -50 in 1992.

At various points in the early '90s, as many as 93 percent rated the economy negatively, 58 percent said their finances were in bad shape and 80 percent called it a bad time to spend money. Today's views are vastly brighter.

	ABC/Money Index	
Today	+9	Ties record
1997 average	-1	
1996 average	-11	
1990-95	-30	
1986-90	-9	
Full average	-19	
May 11, 1986	+8	Previous record

The record high in the ABC/Money poll coincides with recent sharp gains in productivity, hourly worker compensation and, in the first quarter of 1997, the fastest economic growth in a decade.

GAUGES - Positive ratings of the economy are leading the index; they're now 25 points above their 11-year average. Ratings of personal finances and the buying climate both are nine points better than their averages.

The public's ratings of the buying climate is the only one of the three that's not at its record level; it's eight points below the record, set in May 1986.

This lingering reluctance to spend money may help explain the low inflation that's accompanied this recovery.

	Positive Ratings	
	Today	11-yr avg.
National Economy	57%	32%
Personal Finances	63	54
Buying Climate	44	35

GROUPS - Confidence customarily lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is +18 among men, and +1 among women; +15 among whites, but -31 among blacks; +48 in higher-income households, but -35 in the lowest; and +26 among people who've attended college, but -16 among high school dropouts.

EXPECTATIONS - This poll is based on public ratings of current economic conditions; views of the economy's future direction, measured separately, also are strong. This week 72 percent say the economy is either holding steady (47 percent) or improving (25 percent, the most since early 1994). Just 26 percent say it's getting worse, the fewest since early 1994.

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

NATIONAL ECONOMY- A record 57 percent rate the economy positively, up a point this week. It's averaged 49 percent this year; the average for the life of the index is 32 percent. The worst, 93 percent negative, was in late 1991 and early 1992.

PERSONAL FINANCES - Sixty-three percent rate their finances positively, tying the record set April 13 and matched last week. It's averaged 59 percent this year; the average for the life of the index is 54 percent. The worst was 58 percent negative March 14, 1993.

BUYING CLIMATE - Fifty-six percent call this a bad time to buy things, unchanged this week. It's averaged 61 percent this year; the average for the life of the index is 65 percent. The worst was 80 percent negative Nov. 2 and Oct. 28, 1990; the best, 52 percent positive May 11, 1986.

	National Economy	Personal Finances	Buying Climate
This week	57% pos	63% pos	56% neg
1997 Average	51% neg	59% pos	61% neg
Full Average	68% neg	54% pos	65% neg
Worst	93% neg	58% neg	80% neg
Best	56% pos	63% 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 by ICR-International Communications Research of Media, Pa. This week's results are based on 1,016 interviews in the month ending June 22 and have an error margin of plus or minus three 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.

Analysis by Gary Langer.

For details contact the ABC News Polling Unit, (212) 456-2621. ABC polls are available in the ABC News area of America Online (keyword "ABC Polls") and on ABC News' internet site, ABCNEWS.COM.

06/22/97	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	9	1	-4	-8	9	-13	-5
State of Economy	14	12	6	-8	-24	14	-24	-8
Personal Finances	26	26	16	16	18	26	10	17
Buying Climate	-12	-12	-18	-20	-18	-12	-30	-22
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	18	21	11	8	4	21	-5	6
Women	1	-3	-8	-14	-19	1	-25	-14
Age:								
18 - 34	0	-1	-6	-4	-6	5	-23	-6
35 - 44	5	7	7	2	-7	9	-21	-5
45 - 54	14	18	5	-9	-22	18	-22	-4
55 - 64	17	21	1	0	-3	21	-36	-3
65 +	23	13	4	-2	-6	23	-12	-1
Income:								
Under \$15K	-35	-45	-42	-49	-50	-32	-56	-45
\$15K To \$24.9K	-15	-15	-15	-23	-28	-8	-40	-24
\$25K To \$39.9K	6	11	0	2	-6	12	-19	-5
\$40K To \$49.9K	2	1	-1	3	10	26	-4	7
Over \$50K	48	48	41	36	25	48	12	30
Region:								
Northeast	0	3	4	-8	-12	4	-26	-9
Midwest	17	18	7	4	-6	18	-8	3
South	8	8	-4	-13	-14	8	-15	-6
West	10	4	0	8	4	11	-23	-6
Race:								
White	15	13	6	1	-3	15	-10	0
Black	-31	-25	-39	-28	-45	-10	-48	-29
Politics:								
Republican	26	25	14	3	3	26	-12	6
Democrat	12	12	-1	-4	-12	12	-19	-4
Independent	-4	-3	-8	-6	-11	-3	-18	-11
Education:								
< High School	-16	-16	-24	-33	-34	-13	-47	-32
High Sch. Grad.	-3	-6	-10	-16	-20	-3	-22	-12
College +	26	26	19	17	9	26	2	11
Home:								

Own	20	20	7	4	-3	20	-7	2
Rent	-18	-19	-15	-21	-23	-11	-33	-21
Marital Status:								
Single	3	-5	-8	1	-12	3	-26	-8
Married	16	18	11	2	-3	18	-9	1
Sep/Wid/Div	-9	-17	-23	-25	-20	-9	-32	-22
Employ. Status:								
Full-Time	13	17	13	7	3	17	-5	4
Part-Time	-1	-2	-7	-15	-23	5	-29	-13
Not Employed	7	-3	-13	-14	-21	7	-21	-13