

Confidence Continues to Inch Down

Consumer confidence inched lower again this week, remaining at its lowest level since last November. Lower ratings of the buying climate are largely at fault, now the lowest since January 1998.

While confidence is still high by historical standards, ratings of the buying climate have declined as oil prices and interest rates have steadily risen. Forty-seven percent now say it's a good time to buy things, down ten points from the record set in January.

But Americans' ratings of their personal finances and the national economy remain high. Sixty-five percent rate their own finances positively, five points off the record, and 73 percent say the economy is in good shape, seven points below its high but 33 points above the 14-year average.

	Today	----- Since 12/85 ----		
Positive ratings:		Highest	Lowest	Average
National Economy	73%	80	7	40
Personal Finances	65	70	42	57
Buying Climate	47	57	20	38

The Federal Reserve decided today not to raise interest rates amid signs of a slowing economy. The Fed has previously raised interest rates six times in the last year, pushing them to the highest level since 1991.

INDEX - The ABC/Money Consumer Comfort Index, based on these ratings, stands at +23 on its scale of +100 to -100, down one point from last week. The index peaked at +38 on Jan.16. Its lifetime average, depressed by recession in the early 1990s, is just -11.

	ABC/Money Index	
Today	+23	
Jan. 16, 2000	+38	Record high
2000 average	+29	
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 +55 in higher-income households compared to -36 in the lowest, +38 among college

graduates but -13 among high-school dropouts, +25 among whites but +6 among blacks and +33 among men compared to +13 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-three percent say excellent or good, up one point from 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	73%	11	62	27	20	7
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-five percent say excellent or good, down one 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	65%	7	58	35	23	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-seven percent say excellent or good, down one 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	47%	2	45	53	36	17
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 1,036 interviews in the week ending June 25 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 Dalia Sussman.

ABC News polls can be found at ABCNEWS.com on the Internet, at:
<http://abcnews.go.com/sections/politics/PollVault/PollVault.html>

06/25/00	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:								
Overall Index	23	24	27	27	28	38	22	28
State of Economy	46	44	52	46	44	60	38	47
Personal Finances	30	32	32	36	32	40	28	33
Buying Climate	-6	-4	-2	-2	8	14	-6	3

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	33	31	32	30	33	45	30	36
Women	13	18	21	22	23	30	11	20
Age:								
18 - 34	23	23	29	16	31	37	16	25
35 - 44	15	20	22	26	28	37	13	27
45 - 54	41	43	29	26	29	45	11	30
55 - 64	13	13	29	40	26	48	13	29
65 +	20	17	19	35	21	45	14	28
Income:								
Under \$15K	-36	-35	-23	-23	-26	-12	-42	-25
\$15K To \$24.9K	-6	-6	7	-9	-4	26	-11	1
\$25K To \$39.9K	14	23	30	22	30	33	8	23
\$40K To \$49.9K	41	36	34	51	41	60	26	41
Over \$50K	55	58	56	59	57	68	53	60
Region:								
Northeast	17	27	38	20	27	48	17	32
Midwest	23	17	28	31	35	40	17	30
South	24	22	17	22	20	31	14	23
West	26	31	28	32	36	43	13	28
Race:								
White	25	30	34	30	34	43	25	33
Black	6	2	-11	-1	-1	25	-15	0
Politics:								
Republican	40	40	39	42	45	55	32	42
Democrat	7	18	29	28	22	38	7	26
Independent	32	24	20	16	25	32	13	22
Education:								
< High School	-13	-20	-13	-13	-15	9	-27	-11
High Sch. Grad.	15	20	18	13	18	32	8	19
College +	38	40	45	49	49	53	38	46
Home:								
Own	31	33	35	35	32	44	28	35
Rent	4	3	5	2	16	22	-3	9
Marital Status:								
Single	9	18	19	21	25	36	8	24
Married	30	31	36	32	32	44	27	34
Sep/Wid/Div	13	4	2	7	13	17	-9	7
Employ. Status:								
Full-Time	28	33	35	29	39	44	28	35
Part-Time	11	23	28	20	11	38	7	23
Not Employed	19	12	14	23	17	28	8	18

END