

## Consumer Confidence: Six Months on a Roll

Consumer confidence has roared through the first six months of 1998, shredding its previous record highs and setting a pace for its best year by far in 12 years of weekly polls by ABC News and Money magazine.

Ratings of the economy lost some ground this week, slipping to their lowest since early April. But other economic views remain closer to the record highs they set earlier this year. And on average, confidence so far in 1998 has far outstripped its previous best year, 1997.

Today 67 of Americans rate the economy positively, compared to a 12-year average of 35 percent (albeit down from a record high 76 percent in February). Sixty-five percent rate their own finances positively, three points from the record; and 53 percent call it a good time to buy things, just one point from the record since December 1985.

	Today	Positive Ratings		12-yr. avg.
		Record high	Record low	
National Economy	67%	76	7	35
Personal Finances	65	68	42	55
Buying Climate	53	54	20	36

INDEX - The ABC/Money Consumer Comfort Index, based on these ratings, stands at +23 on its scale of +100 to -100. That's down two points this week and down from a record +29 in March, but still extraordinarily high, boosted by rising incomes, low unemployment and low inflation.

The index has averaged +22 so far this year, compared to its previous best year, an average of +5 in 1997. Its lifetime average is just -17. Call the Polling Unit, x2621, for a chart tracking consumer confidence over time.

	ABC/Money Index	
Today	+23	
March 22	+29	Record high
1998 average (to date)	+22	
1997 average	+5	Best year
1992 average	-44	Worst year
Feb. 9, 1992	-50	Record low
Lifetime average	-17	

**GROUPS** - High as it is, confidence still lags in economically vulnerable groups. The index is +34 among men compared to +14 among women, +28 among whites but -13 among blacks, +64 in higher-income households but -42 in the lowest and +43 among people who've attended college but -13 among high school dropouts.

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? Sixty-seven percent of Americans say excellent or good, down two points this week. The best was 76 percent Feb. 22; the worst, seven percent in late 1991 and early 1992.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
6/28/98	67	10	57	33	23	10
Avg. since 12/85	35	2	32	65	43	23

**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, unchanged. The best was 68 percent March 22; the worst, 42 percent March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
6/28/98	65	5	60	35	25	10
Avg. since 12/85	55	4	51	45	32	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? Fifty-three percent say excellent or good, unchanged. The best was 54 percent March 22; the worst, 20 percent in fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
6/28/98	53	4	49	47	31	15
Avg. since 12/85	36	2	33	64	42	22

**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 1,031 interviews in the month ending June 28 and have an error margin of plus or minus three percentage points. Field work by ICR Survey 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 Gary Langer.

For details contact the ABC News Polling Unit, (212) 456-2621. ABC News polls are available on America Online (keyword "ABC Polls") and at ABCnews.com on the Internet.

06/28/98

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:

Group	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
Overall Index	23	25	23	26	8	29	5	16
State of Economy	34	38	44	38	12	52	8	28
Personal Finances	30	30	30	34	24	36	14	25
Buying Climate	6	6	-4	6	-12	8	-14	-4

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:

Men	34	36	35	38	15	39	13	25
Women	14	14	13	14	2	20	-6	7

Age:

18 - 34	19	21	15	29	3	29	-2	11
35 - 44	31	31	20	28	1	37	-4	16
45 - 54	18	19	31	20	8	31	2	16
55 - 64	35	34	38	30	15	47	-5	20
65 +	16	19	31	19	24	35	-2	21

Income:

Under \$15K	-42	-36	-33	-27	-37	-18	-47	-32
\$15K To \$24.9K	-9	-4	12	14	-8	16	-34	-6
\$25K To \$39.9K	19	20	21	18	-1	25	-6	13
\$40K To \$49.9K	44	50	50	51	10	54	6	31
Over \$50K	64	63	52	60	45	64	33	50

Region:

Northeast	30	26	24	17	-1	30	-4	13
Midwest	38	36	31	28	10	38	6	21
South	15	18	18	26	8	29	-6	15
West	16	22	23	31	15	40	1	15

Race:

White	28	29	30	30	13	33	10	21
Black	-13	-15	-6	-4	-19	4	-34	-14

Politics:

Republican	43	46	37	33	24	46	16	30
Democrat	19	19	26	21	7	26	-2	12
Independent	19	19	19	27	2	30	0	12

Education:

< High School	-13	-10	-22	-21	-22	1	-38	-17
High Sch. Grad.	12	9	13	21	-6	22	-7	7
College +	43	46	47	46	28	48	22	33

Home:

Own	30	31	29	34	18	36	12	23
Rent	6	9	11	4	-18	11	-18	-3

Marital Status:

Single	34	31	20	29	5	34	-7	11
Married	26	26	29	34	13	36	13	23
Sep/Wid/Div	2	10	9	-5	-8	18	-22	-4

Employ. Status:

Full-Time	36	36	32	35	14	36	10	23
Part-Time	12	8	6	17	-4	27	-5	9
Not Employed	9	12	14	14	4	25	-8	7