

SURVEY#: 507 DATE: 2/06/96 TO 9/09/99 #INT: 1 GEN USA
ABC NEWS/MONEY CONSUMER INDEX - 6/29/97
EMBARGOED FOR RELEASE AFTER 6:30 p.m. Wednesday, July 2, 1997

CONFIDENCE EASES OFF
ITS RECORD HIGH

Consumer confidence eased back a half-step this week from its record high in the ABC News/Money magazine survey. But it's still booming.

Fifty-six percent of Americans say the economy is in good shape, down a point from last week's all-time record. Sixty-two percent say their finances are O.K., also down a point from the record dating to December 1985.

Fifty-six percent call this a bad time to buy things - the survey's one negative measure, but the fewest since September 1986.

The ABC/Money Consumer Comfort Index, based on these three gauges, stands at +8 on its scale of +100 to -100, down a point from its record +9 the last two weeks. Its previous best was +8 on May 11, 1986.

BANNER - Public faith in the economy is scoring a banner year. Hammered by recession and slow-growing income, the ABC/Money index averaged a dismal -30 from 1990-95, falling as low as -50 in 1992. Its lifetime average is -19; even in the second half of the 1980s it managed only -9.

At various points in the early '90s, as many as 93 percent rated the economy negatively, compared to 44 percent today; 58 percent said their finances were in bad shape, compared to 38 percent today; and 80 percent called it a bad time to spend money, compared to today's 56 percent.

ABC/Money Index	
Today	+8
Last two weeks	+9 Record high
1997 average	-1
1996 average	-11
1990-95	-30
1986-90	-9
Full average	-19

The gains in the ABC/Money poll coincide with recent sharp advances 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 24 points above their 11-year average. Ratings of personal finances and the buying climate are eight and nine points better than average, respectively.

But while views of the economy and personal finances are within a point of their best ever, ratings of the buying climate remain eight points below the record, set in May 1986.

Positive Ratings		
	Today	11-yr avg.
National Economy	56%	32%
Personal Finances	62	54

GROUPS - Confidence lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is +15 among men but +2 among women (closer than usual; the gap between them has averaged 20 points in the last year). It's +13 among whites but -19 among blacks; +45 in higher-income households but -37 in the lowest; and +28 among people who've attended college but -22 among high school dropouts.

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

NATIONAL ECONOMY- Fifty-six percent rate the economy positively, down a point from last week's record. It's averaged 50 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-two percent rate their finances positively, down a point from the record set April 13 and matched the last two weeks. 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 60 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	56% pos	62% pos	56% neg
1997 Average	50% pos	59% pos	60% neg
Full Average	68% neg	54% pos	65% neg
Worst	93% neg	58% neg	80% neg
Best	57% 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 29 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.

06/29/97	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	8	9	3	-3	-7	9	-13	-4
State of Economy	12	14	6	-6	-22	14	-24	-8
Personal Finances	24	26	20	20	20	26	10	17
Buying Climate	-12	-12	-16	-22	-18	-12	-30	-22

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	15	18	12	11	7	21	-5	6
Women	2	1	-4	-14	-18	2	-25	-14
Age:								
18 - 34	3	0	-3	-4	-3	5	-23	-6
35 - 44	1	5	9	1	-4	9	-21	-5
45 - 54	8	14	6	-6	-22	18	-22	-3
55 - 64	15	17	3	5	-6	21	-36	-3
65 +	24	23	10	2	-7	24	-12	-1
Income:								
Under \$15K	-37	-35	-38	-44	-48	-32	-56	-44
\$15K To \$24.9K	-8	-15	-19	-24	-33	-8	-40	-24
\$25K To \$39.9K	-1	6	4	1	-4	12	-19	-4
\$40K To \$49.9K	10	2	-3	9	13	26	-4	7
Over \$50K	45	48	44	34	31	48	12	30
Region:								
Northeast	-1	0	0	-8	-11	4	-26	-9
Midwest	10	17	13	4	-4	18	-8	3
South	8	8	1	-9	-14	8	-15	-6
West	15	10	2	7	6	15	-23	-5
Race:								
White	13	15	9	2	-2	15	-10	0
Black	-19	-31	-42	-23	-39	-10	-48	-29
Politics:								
Republican	24	26	18	8	2	26	-12	6
Democrat	7	12	1	-1	-6	12	-19	-3
Independent	2	-4	-5	-8	-10	2	-18	-10
Education:								
< High School	-22	-16	-18	-26	-36	-13	-47	-31
High Sch. Grad.	-6	-3	-7	-15	-20	-3	-22	-12
College +	28	26	20	15	11	28	2	11
Home:								
Own	18	20	11	7	-3	20	-7	3
Rent	-18	-18	-15	-24	-20	-11	-33	-21
Marital Status:								
Single	5	3	-4	-2	-11	5	-26	-8
Married	13	16	13	4	-2	18	-9	2
Sep/Wid/Div	-8	-9	-20	-24	-19	-8	-32	-21
Employ. Status:								
Full-Time	14	13	13	7	7	17	-5	4
Part-Time	-4	-1	-4	-16	-26	5	-29	-13
Not Employed	4	7	-8	-11	-21	7	-21	-13