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ABC NEWS/MONEY CONSUMER INDEX - 7/20/97  
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Confidence Maintains  
its Record High

Consumer confidence held steady this week at its record high in the 11-year-old ABC News/Money magazine poll, with sizable majorities of Americans rating the national economy and their own finances positively.

Fifty-seven percent rate the economy positively, tying the record; 62 percent say their own finances are O.K.; and 48 percent call it a good time to spend money. That last, while not a majority, is the most since August 1986.

The ABC/Money Consumer Comfort Index, based on these three gauges, stands at +11 on its scale of +100 to -100, same as last week and its highest since the weekly poll began in December 1985.

The growing economy - with low unemployment, low inflation and higher per-capita income - has sharply boosted confidence, with the index rising 19 points since March 9 and 12 points just since May 18. Today's +11 compares to -30 from 1990-95, and -9 from 1986-90.

Federal Reserve Chairman Alan Greenspan delivered a positive assessment of the economy in his midyear report to Congress today. He warned that inflation is unlikely to remain tame forever, but with no hint of an imminent increase in interest rates, the Dow soared past 8,000 to a new high.

The ABC/Money index has averaged 0 this year, its best ever January-to-July average. Its previous best seven-month average was -2 in 1986.

#### ABC/Money Index

Today	+11	Record High
1997 average	0	
1996 average	-11	
1990-95	-30	
1986-90	-9	
Full average	-19	

GAUGES - Positive ratings of the economy are leading the index; they're 25 points better than their 11-year average. Ratings of the buying climate and personal finances are 13 and eight points better than average, respectively.

Views of the economy are at their record high, a level they've maintained for four of the last five weeks. Ratings of personal finances are a point short of their record. And ratings of the buying climate have moved to within four points of their record, 52 percent positive in May 1986.

	Positive Ratings	
	Today	11-yr avg.
National Economy	57%	32%
Personal Finances	62	54
Buying Climate	48	35

GROUPS - Confidence lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is +18 among men but +4 among women; +15 among whites but -5 among blacks; +45 in higher-income households but -29 in the lowest; and +28 among people who've attended college but -14 among high school dropouts.

TAX CUT - Whatever positive economic trends are fueling the rise in consumer confidence, hopes for a tax cut are not among them. A separate result this week shows that only about one in 10 Americans believes the tax bill being negotiated in Washington really will cut their taxes; in fact four in 10 think their taxes will go up, not down, as a result of the measure.

The result probably reflects the public's low expectations of the political process, rather than any familiarity with the specifics of the bill.

Expect tax bill to:	7/20/97
Lower your taxes	11
Raise your taxes	39
Have little/no effect	38

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

NATIONAL ECONOMY- Fifty-seven percent rate the economy positively, tying the record of June 22, July 6 and July 13. 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, one point short of the record, set this year. It's averaged 60 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-two percent call this a bad time to buy things, down a point 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	57% pos	62% pos	52% neg
1997 Average	50% pos	60% 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 1,022 interviews in the month ending July 20 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.

07/20/97	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	11	11	9	-2	-11	11	-13	-3
State of Economy	14	14	14	-8	-24	14	-24	-6
Personal Finances	24	26	26	20	12	26	10	18
Buying Climate	-4	-6	-12	-18	-22	-4	-30	-22
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	18	18	18	15	-2	21	-5	7
Women	4	5	1	-17	-20	6	-25	-12
Age:								
18 - 34	12	8	0	3	-19	12	-23	-5
35 - 44	0	5	5	-2	-4	9	-21	-5
45 - 54	3	4	14	-6	-11	18	-12	-1
55 - 64	6	4	17	-6	-18	21	-36	-2
65 +	30	35	23	-2	0	35	-12	1
Income:								
Under \$15K	-29	-24	-35	-46	-54	-24	-56	-43
\$15K To \$24.9K	-6	-8	-15	-17	-40	-6	-40	-22
\$25K To \$39.9K	0	-5	6	-1	-11	12	-19	-4
\$40K To \$49.9K	21	15	2	1	9	26	-4	7
Over \$50K	45	47	48	25	23	48	12	31
Region:								
Northeast	4	5	0	-5	-16	5	-26	-8
Midwest	13	13	17	2	1	18	-8	4
South	8	7	8	-4	-12	10	-15	-5
West	18	21	10	0	-20	21	-23	-4
Race:								
White	15	16	15	1	-8	16	-10	1
Black	-5	-16	-31	-19	-36	-5	-48	-27
Politics:								
Republican	21	26	26	13	11	26	-12	7
Democrat	5	1	12	-4	-18	12	-19	-3
Independent	11	10	-4	-6	-18	11	-18	-9
Education:								
< High School	-14	-8	-16	-23	-41	-8	-47	-30
High Sch. Grad.	-5	-7	-3	-7	-19	-3	-22	-11

College +	28	30	26	10	5	30	2	12
Home:								
Own	15	18	20	4	-7	20	-7	4
Rent	-1	-7	-18	-19	-24	-1	-33	-20
Marital Status:								
Single	12	11	3	-4	-23	12	-26	-6
Married	13	14	16	4	-5	18	-9	3
Sep/Wid/Div	-2	0	-9	-25	-22	0	-32	-20
Employ. Status:								
Full-Time	17	15	13	6	-3	17	-5	5
Part-Time	1	0	-1	-5	-21	5	-29	-11
Not Employed	5	9	7	-12	-20	9	-21	-11