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ABC NEWS/MONEY CONSUMER INDEX - 7/27/97
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Confidence Slips a Notch;
Still Near its Best Ever

Consumer confidence slipped a notch this week from its record high of the last two weeks, the latest ABC News/Money magazine poll has found. Even with the dip, confidence remains far above its average in the last 11 years.

The ABC/Money Consumer Comfort Index, based on average Americans' ratings of the economy, buying climate and personal finances, now stands at +9 on its scale of +100 to -100, down two points from last week.

The index's +11 in mid-July was its highest since this weekly survey began in December 1985. Over its lifetime the index has averaged just -19, ranging from -9 in the second half of the 1980s to -33 in the first half of '90s.

The growing economy, low unemployment, low inflation and higher per-capita income have sharply boosted confidence this spring and summer. The index rose 19 points from March 9 to July 20. It's averaged +1 so far this year, its best ever January-July average.

ABC/Money Index

Today	+9	
Last 2 weeks	+11	record high
1997 average	+1	
1996 average	-11	
1990-95	-30	
1986-90	-9	
Full average	-19	

GAUGES - Today 56 percent of Americans rate the economy positively and 62 percent say their own finances are O.K. - each one point from the record. Forty-six percent call it a good time to spend money on things they want and need, six points below the record set in May 1986.

Positive ratings of the economy are leading the index; they're 24 points better than their 11-year average. Ratings of the buying climate and personal finances are 11 and eight points better than average, respectively.

	Positive Ratings	
	Today	11-yr avg.
National Economy	56%	32%
Buying Climate	46	35
Personal Finances	62	54

GROUPS - Confidence lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is +20 among men but -1 among women; +15 among whites but -10 among blacks; +46 in higher-income households but -27 in the lowest; and +25 among people who've attended college but -10 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 this week from the record high. It's averaged 51 percent positive 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 positive 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-four percent call this a bad time to buy things, up two points. It's averaged 59 percent negative 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	54% neg
1997 Average	51% pos	60% pos	59% 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 1,027 interviews in the month ending July 27 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.

07/27/97	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	11	8	-3	-13	11	-13	-3
State of Economy	12	14	12	-8	-24	14	-24	-6
Personal Finances	24	24	24	18	10	26	10	18
Buying Climate	-8	-4	-12	-18	-26	-4	-30	-22

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:								
Men	20	18	15	14	-1	21	-5	7
Women	-1	4	2	-17	-24	4	-25	-13
Age:								
18 - 34	7	12	3	2	-23	12	-23	-5
35 - 44	3	0	1	2	-4	9	-21	-5
45 - 54	9	3	8	-5	-11	18	-12	-1
55 - 64	11	6	15	-10	-12	21	-36	-1
65 +	20	30	24	-7	-3	30	-12	0
Income:								
Under \$15K	-27	-29	-37	-45	-51	-27	-56	-43
\$15K To \$24.9K	-15	-6	-8	-18	-35	-6	-35	-22
\$25K To \$39.9K	1	0	-1	-3	-18	12	-19	-4
\$40K To \$49.9K	15	21	10	0	6	26	-4	7
Over \$50K	46	45	45	27	25	48	12	31
Region:								
Northeast	11	4	-1	-7	-22	11	-26	-8
Midwest	9	13	10	7	3	18	-8	4
South	9	8	8	-4	-11	9	-15	-5
West	10	18	15	-7	-23	18	-23	-4
Race:								
White	15	15	13	-1	-9	15	-10	1
Black	-10	-5	-19	-15	-41	-5	-48	-27
Politics:								
Republican	20	21	24	14	1	26	-12	7
Democrat	7	5	7	-10	-14	12	-19	-2
Independent	4	11	2	-6	-18	11	-18	-9
Education:								
< High School	-10	-14	-22	-31	-36	-10	-47	-30
High Sch. Grad.	-5	-5	-6	-5	-22	-3	-22	-11
College +	25	28	28	10	2	28	2	12
Home:								
Own	13	15	18	3	-6	20	-6	4
Rent	-2	-1	-18	-18	-31	-1	-33	-20
Marital Status:								
Single	9	12	5	0	-26	12	-26	-6
Married	13	13	13	2	-5	18	-9	3
Sep/Wid/Div	-1	-2	-8	-24	-27	-1	-32	-21
Employ. Status:								
Full-Time	14	17	14	6	-5	17	-5	5
Part-Time	10	1	-4	-3	-22	10	-29	-11
Not Employed	3	5	4	-16	-21	7	-21	-11