

Consumer Confidence Ties its Record High

Consumer confidence advanced this week to tie its record high in more than 12 years of weekly polls by ABC News and Money magazine. Americans' ratings of their personal finances, the buying climate and the national economy all climbed.

Confidence has been soaring all year. This week 71 percent say the economy is in good shape, double the average. Sixty-eight percent rate their own finances positively and 54 percent call it a good time to buy things, each tying its record high.

		Positive Ratings		
	Today	Record high	Record low	12-year avg.
National Economy	71%	76	7	35
Personal Finances	68	68	42	55
Buying Climate	54	54	20	36

INDEX - The ABC/Money Consumer Comfort Index, based on these ratings, stands at +29 on its scale of +100 to -100, up three points to tie the record it set March 22. It's the best year by far for consumer confidence since this survey began in December 1985. The index has averaged +23 this year, compared to an average of +5 in its previous best year, 1997, and a lifetime average of -16.

	ABC/Money Index	
Today	+29	Ties record high
March 22	+29	"
1998 average (to date)	+23	
1997 average	+5	Best full year
1992 average	-44	Worst full year
Feb. 9, 1992	-50	Record low
Average since 12/85	-16	

Call the ABC News Polling Unit, ext. 2621, for a chart tracking the ABC/Money index over time.

CONFERENCE - Another consumer survey, by the Conference Board, today reported a drop in consumer expectations for the economy's future direction. The ABC/Money poll measures public opinion of current conditions, not expectations for the future. It also is a random-sample telephone survey, with interviews completed two days ago.

CLINTON - One effect of surging consumer confidence has been to boost Bill Clinton's job ratings; absent war, nothing influences presidential approval as reliably as consumer

confidence. Clinton's approval rating was 64 percent in an ABC News poll Sunday, and it's averaged a very high 63 percent in the last eight months, moving virtually in lockstep with consumer confidence.

Also in Sunday's poll, 79 percent said Clinton "has done a good job keeping the economy strong." In a similar question, in an ABC News/Washington Post poll completed Friday, 76 percent said the approved of the way Clinton has handled the economy—the highest of his career.

GROUPS - Confidence continues to lag in economically vulnerable groups. The index is +39 among men compared to +18 among women, +29 among whites compared to +13 among blacks, +61 in higher-income households but -15 in the lowest and +40 among people who've attended college compared to -1 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? Seventy-one percent say excellent or good, up one point 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
This week	71	9	62	29	21	8
Avg. since 12/85	35	2	33	65	43	22

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-eight percent say excellent or good, up two points to tie the record set March 22. The worst was 42 percent on March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	68	5	63	32	25	7
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-four percent say excellent or good, up one point to tie the record set March 22. The worst was 20 percent in fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	54	4	50	46	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 1,023 interviews in the month ending Aug. 23 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.

ABC News polls are available at ABCNEWS.com on the Internet, at the World Wide Web address http://www.abcnews.com/sections/us/polnation_poll/index.html; and on America Online (keyword "ABC Polls").

08/23/98	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:								
Overall Index	29	26	22	23	13	29	5	18
State of Economy	42	40	40	42	24	52	8	31
Personal Finances	36	32	28	28	22	36	14	26
Buying Climate	8	6	-2	-2	-8	8	-14	-3

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	39	39	36	37	24	39	13	28
Women	18	13	8	9	3	20	-6	9
Age:								
18 - 34	25	24	17	16	15	29	-2	13
35 - 44	29	22	9	18	-2	37	-4	18
45 - 54	25	17	24	29	19	31	2	19
55 - 64	37	34	45	36	11	47	-5	24
65 +	29	34	23	32	26	35	-2	21
Income:								
Under \$15K	-15	-11	-22	-40	-39	-11	-47	-31
\$15K To \$24.9K	2	-5	-9	9	-18	16	-28	-5
\$25K To \$39.9K	15	14	24	23	17	25	0	15
\$40K To \$49.9K	46	40	35	46	31	54	6	34
Over \$50K	61	58	61	52	47	66	33	53
Region:								
Northeast	26	30	31	23	11	37	-4	16
Midwest	37	38	21	25	17	38	6	24
South	21	15	12	22	15	29	-6	16
West	31	25	27	20	7	40	2	16
Race:								
White	29	26	25	29	19	33	10	23
Black	13	14	7	-8	-13	15	-34	-12
Politics:								
Republican	40	36	34	39	31	46	16	31
Democrat	29	27	28	22	6	35	-2	15
Independent	16	16	12	21	8	30	0	14
Education:								
< High School	-1	4	-7	-26	-16	14	-38	-15
High Sch. Grad.	24	19	8	18	2	24	-4	10
College +	40	37	40	43	30	48	22	35
Home:								
Own	34	32	26	28	21	36	12	25
Rent	13	8	9	10	-11	13	-18	-1
Marital Status:								
Single	28	24	17	24	8	34	-7	13
Married	32	31	32	27	21	36	13	25
Sep/Wid/Div	11	6	-7	6	-11	18	-22	-4
Employ. Status:								

Full-Time	33	30	29	32	21	36	10	26
Part-Time	17	16	16	16	8	27	-5	10
Not Employed	22	20	12	8	4	25	-8	8