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ABC NEWS/MONEY CONSUMER INDEX - 9/3/97  
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### Higher Faith in Stocks, Despite Market Gyration

Confidence in stocks has doubled since the late 1980s despite the market's recent gyrations, although most Americans still consider it a risky place to invest, an ABC News/Money magazine poll has found.

About a third of public - 32 percent - now calls stocks a safe investment, up from 16 percent in September 1988, the poll found. And while 54 percent still call the market risky, that's down from 71 percent nine years ago.

That result indicates that the market's recent wild swings have made less of an impression than its long ascent. The Dow Jones Industrial Average has soared by about 6,000 points since the crash of October 1987, doubling in two and a half years to a record 8,259 on Aug. 6. The climb from 6,000 to 8,000 took it just seven months.

	Stock market is...	
	Safe	Risky
8/31/97	32	54
9/14/88	16	71

Still, majority distrust in the market crosses demographic barriers. Even among better-off Americans, with household incomes over \$50,000, 50 percent call the market risky; so do 53 percent of people who've been to college.

CONFIDENCE - Whatever they think of the market, most Americans remain happy with the economy in general. This week 61 percent rate the national economy positively, 62 percent rate their own finances positively and 46 percent call this a good time to spend money.

The ABC/Money Consumer Comfort Index, based on those three measures, stands at +13 on its scale of +100 to -100, tying the record high since this weekly poll began 11 years ago.

### ABC/Money Index

Today	+13	ties record
1997 average	+2	
1996 average	-11	
1991-95	-33	
1986-90	-9	
Full average	-19	

Boosted by the growing economy, low unemployment, low inflation and higher per-capita income, the index has jumped from -1 in mid-May to +13 today. Over its lifetime it's averaged just -19, ranging from -9 in the second half of the 1980s to -33 in the first half of the '90s.

GAUGES - Positive ratings of the economy are leading the index; they're 29 points better than their 11-year average. Ratings of the buying climate are 11 points better than average; ratings of personal finances, eight points better.

	Positive Ratings	
	Today	11-yr avg.
National Economy	61%	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 +28 among men but -1 among women; +18 among whites but -14 among blacks; +51 in higher-income households but -47 in the lowest; and +29 among people who've attended college but -18 among high school dropouts.

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

NATIONAL ECONOMY- Sixty-one percent rate the economy positively, down a point from last week's record. It's averaged 52 percent this year; the average for the life of the index is 32 percent. The worst was 93 percent negative in late 1991 and early 1992.

PERSONAL FINANCES - Sixty-two percent rate their finances positively, up a point. It's averaged 60 percent this year; the average for the life of the index is 54 percent. The best was 64 percent positive Aug. 3; the worst, 58 percent negative March 14, 1993.

BUYING CLIMATE - Fifty-four percent call this a bad time to buy things, unchanged this week. 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	61% pos	62% pos	54% neg
1997 Average	52% pos	60% pos	59% neg
Full Average	68% neg	54% pos	65% neg
Worst	93% neg	58% neg	80% neg
Best	62% pos	64% 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 1,034 interviews in the month ending Aug. 31 and have an error margin of plus or minus three percentage points. The question on the stock market was conducted Aug. 20-31 among 521 respondents; that result has a 4.5-point error margin.

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.

08/31/97	This Week	Last Week	4 Wks Ago	3 Mo. Ago	1 Yr. Ago	12 Mo High	12 Mo Low	12 Mo Avg
Group								
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GENERAL POPULATION:								
Overall Index	13	13	13	3	-12	13	-12	0
State of Economy	22	24	18	6	-20	24	-20	-1
Personal Finances	24	22	28	20	10	28	10	19
Buying Climate	-8	-8	-8	-16	-26	-4	-30	-19
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OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	28	24	23	12	2	28	-5	10
Women	-1	3	4	-4	-24	6	-25	-10
Age:								
18 - 34	17	15	6	-3	-6	17	-11	-2
35 - 44	-4	-2	9	9	-20	9	-21	-3
45 - 54	16	19	14	6	-6	19	-12	1
55 - 64	17	11	21	3	-30	21	-30	2
65 +	21	26	23	10	-3	35	-10	5
Income:								
Under \$15K	-47	-39	-24	-38	-50	-24	-56	-41
\$15K To \$24.9K	-12	-18	-17	-19	-32	-6	-35	-21
\$25K To \$39.9K	20	17	7	4	-9	20	-19	-1
\$40K To \$49.9K	31	31	21	-3	11	31	-4	9
Over \$50K	51	47	41	44	21	51	12	34
Region:								
Northeast	14	11	8	0	-15	14	-17	-4
Midwest	15	17	14	13	4	18	-8	5
South	13	15	18	1	-14	18	-15	-2
West	8	7	7	2	-21	21	-23	-1
Race:								
White	18	19	18	9	-7	19	-10	4
Black	-14	-13	0	-42	-44	0	-48	-24
Politics:								
Republican	28	31	26	18	-4	31	-12	10
Democrat	11	6	8	1	-17	12	-19	0
Independent	8	8	8	-5	-11	11	-17	-6
Education:								
< High School	-18	-16	-7	-18	-44	-7	-47	-28
High Sch. Grad.	5	2	-2	-7	-20	5	-20	-8
College +	29	30	29	20	6	30	2	15
Home:								
Own	21	21	16	11	-4	21	-4	7
Rent	-9	-11	2	-15	-32	2	-33	-18
Marital Status:								
Single	6	8	11	-4	-7	12	-20	-3

Married	21	21	17	13	-8	21	-9	5
Sep/Wid/Div	-10	-11	0	-20	-28	0	-29	-18
Employ. Status:								
Full-Time	22	21	16	13	-5	22	-5	7
Part-Time	8	8	10	-4	-19	10	-29	-8
Not Employed	1	4	9	-8	-19	9	-21	-8