

Consumer Confidence Still High Despite Market Ups & Downs

Consumer confidence remains near its record high despite the wobbles on stock market and the torrent of bad economic news from overseas, this week's ABC News/Money magazine poll shows.

For the second week in a row, the overall ABC/Money Consumer Comfort index remains just three points below its record high set on Aug.30

Ratings of the economy and the buying climate each rose a point, while ratings of personal finances dropped two points. . The economy rating -74 percent positive - is the best since March 22 when it hit its all-time high of 76 percent positive.

		Positive Ratings		
	Today	Record high	Record low	12-year avg.
National Economy	74%	76	7	35
Personal Finances	65	70	42	55
Buying Climate	52	55	20	36

INDEX - The confidence index, based on these three ratings, stands at +27 on its scale of +100 to -100, after taking a relatively large four-point hit two weeks ago. This year continues to be the best year for consumer confidence since this survey began in December 1985: The index has averaged +23 in 1998, compared to a previous best of +5 last year, and a lifetime average of just -16.

	ABC/Money Index	
Today	+27	
Aug. 30	+30	record high
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	

GROUPS - Confidence continues to lag in economically vulnerable groups. The index is +34 among men compared to +20 among women, +29 among whites compared to +9 among blacks, +59 in higher-income households but -9 in the lowest and +40 among people who've attended college compared to 0 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-four 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	74	13	61	26	21	5
Avg. since 12/85	35	2	33	65	42	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-five percent say excellent or good, down two points this week. The record was 70 percent Aug. 30; the worst, 42 percent March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	65	7	58	35	26	9
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-two percent say excellent or good, up a point. The record was 55 percent Aug 30; the worst, 20 percent in fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	52	5	47	48	34	14
Avg. since 12/85	36	2	34	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 1,037 interviews in the month ending Oct. 4 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 Jeff Alderman.

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").

10/04/98	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	27	27	29	22	7	31	5	20

State of Economy	48	46	42	34	10	52	8	34
Personal Finances	30	34	36	30	20	40	14	27
Buying Climate	4	2	8	2	-8	10	-14	-1

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:								
Men	34	33	40	33	19	40	13	29
Women	20	21	18	11	-4	21	-6	11
Age:								
18 - 34	23	29	25	19	2	29	-2	15
35 - 44	29	24	33	23	10	37	5	21
45 - 54	34	30	27	26	11	38	6	21
55 - 64	28	29	33	28	-5	47	-5	25
65 +	26	23	29	14	20	35	-2	22
Income:								
Under \$15K	-9	-15	-10	-38	-30	-6	-46	-28
\$15K To \$24.9K	9	18	6	-19	-18	18	-28	-3
\$25K To \$39.9K	13	10	13	23	3	25	0	14
\$40K To \$49.9K	39	42	60	45	15	60	6	36
Over \$50K	59	62	60	66	44	66	33	55
Region:								
Northeast	19	25	30	25	6	37	-4	18
Midwest	40	38	33	33	20	40	6	26
South	29	23	22	16	-6	29	-6	17
West	18	22	32	15	15	40	2	18
Race:								
White	29	30	32	25	13	33	10	24
Black	9	3	5	-4	-34	15	-34	-9
Politics:								
Republican	37	39	44	42	19	46	16	33
Democrat	26	28	26	21	7	35	-2	18
Independent	23	20	16	14	3	30	0	14
Education:								
< High School	0	-9	-5	-13	-32	14	-38	-14
High Sch. Grad.	22	20	22	9	-2	27	-4	12
College +	40	43	44	42	27	48	22	36
Home:								
Own	36	33	36	28	14	39	12	27
Rent	6	12	12	5	-10	15	-18	1
Marital Status:								
Single	23	21	24	31	-5	34	-7	15
Married	32	33	35	24	15	36	13	27
Sep/Wid/Div	13	9	9	1	-12	18	-22	-1
Employ. Status:								
Full-Time	34	35	36	35	11	37	10	27
Part-Time	19	28	26	6	8	28	-5	12
Not Employed	18	13	16	8	0	25	-8	10