

SURVEY#: 507 DATE: 2/06/96 TO 9/09/99 #INT: 1 GEN USA
ABC NEWS/MONEY CONSUMER INDEX - 10/5/97
EMBARGOED FOR 6:30 p.m. Wednesday, Oct. 8, 1997

Confidence Down Some More

Consumer confidence, still strongly positive, dropped for the fourth week in a row, as enthusiasm for overall economy ratcheted down somewhat.

The ABC/Money poll continues to show comparatively high levels of confidence in current conditions as the following chart demonstrates:

Positive Ratings

	Today	11-yr avg.	
National Economy	55%	33%	+22 pts
Buying Climate	46	35	+11
Personal Finances	60	54	+ 6

The ABC/Money Consumer Comfort Index, based on these three measures, stands at +7 on its scale of +100 to -100, down three points this week and seven points below its highest ever rating reached as September started. Its average for the year so far is +3. If the year were to end with the annual average in positive territory, it would be the first such in the index's history.

ABC/Money Index

Today	+7
9/7/97	+14 record high
1997 average	+3
1996 average	-11
1991-95	-33
1986-90	-9
1986-present	-19

Confidence was extraordinarily high all summer. The index jumped from -1 in mid-May to +13 by early August; it had never before exceeded +8, and that was in 1986.

But ratings of the economy have come down a bit in recent weeks, from 62 percent positive on Sept. 7 when the index hit its record 14 mark, to 55 percent this week. The relatively slight drop is mainly responsible for the fall in the overall index, since ratings of personal finance and the buying climate have remained relatively flat since Labor Day. The latter measure, almost always on the negative side since the survey started, is just six points from its all time high.

GROUPS - Confidence lags in the country's economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is +19 among men but -4 among women; +13 among whites but -34 among blacks; +44 in higher-income households but -30 in the lowest; and +27 among people who have attended college but -32 among high school dropouts.

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

NATIONAL ECONOMY- Fifty-five percent rate the economy positively, down three points from last week. It's averaged 53 percent this year; the average for the life of the index is 33 percent. The worst was 93 percent negative in late 1991 and early 1992.

PERSONAL FINANCES - Sixty percent rate their finances positively, down one this week. It's averaged 60 percent this year; the average for the life of the index is 55 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, the same as last week. It's averaged 58 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	55% pos	60% pos	54% neg
1997 Average	53% pos	60% pos	58% neg
Full Average	67% 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 1,039 interviews in the month ending Oct. 5, 1997 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 Jeff Alderman. 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.

10/05/97	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	7	10	14	10	-5	14	-9	1
State of Economy	10	16	24	14	-14	24	-16	3
Personal Finances	20	22	22	24	22	28	10	20
Buying Climate	-8	-8	-4	-8	-22	-4	-30	-18

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	19	19	27	14	0	28	-5	12
Women	-4	1	2	6	-8	6	-19	-8
Age:								
18 - 34	2	8	14	6	-3	17	-11	0

35 - 44	10	15	8	3	-12	15	-21	-1
45 - 54	11	2	12	5	10	19	-12	3
55 - 64	-5	5	26	3	-3	26	-17	5
65 +	20	18	14	35	-10	35	-10	7
Income:								
Under \$15K	-30	-31	-43	-28	-42	-24	-56	-40
\$15K To \$24.9K	-18	-6	3	-8	-18	7	-35	-18
\$25K To \$39.9K	3	9	19	-6	-19	20	-19	1
\$40K To \$49.9K	15	21	31	10	6	33	-4	11
Over \$50K	44	41	46	47	35	51	12	36
Region:								
Northeast	6	4	10	5	-16	14	-17	-2
Midwest	20	20	12	7	6	20	-8	6
South	-6	3	20	10	-3	20	-14	0
West	15	15	9	18	-9	21	-17	2
Race:								
White	13	16	19	16	-1	19	-10	6
Black	-34	-30	-10	-19	-28	0	-42	-22
Politics:								
Republican	19	24	26	23	3	31	-12	12
Democrat	7	4	7	6	-3	12	-10	1
Independent	3	9	16	6	-13	16	-17	-4
Education:								
< High School	-32	-19	-5	-17	-28	-5	-44	-25
High Sch. Grad.	-2	-1	1	-5	-9	5	-19	-7
College +	27	27	28	29	7	30	2	17
Home:								
Own	14	16	21	18	0	21	-4	8
Rent	-10	-6	-4	-11	-13	2	-27	-15
Marital Status:								
Single	-5	-1	8	9	-14	12	-20	-3
Married	15	17	23	13	1	23	-7	8
Sep/Wid/Div	-12	-8	-13	-1	-15	0	-29	-17
Employ. Status:								
Full-Time	11	14	25	16	2	25	-5	9
Part-Time	8	10	9	-4	-10	10	-29	-6
Not Employed	0	2	0	6	-11	9	-21	-7