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ABC NEWS/MONEY CONSUMER INDEX - 10/13/96  
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Consumer Confidence at High Level;  
Few Plan Holiday Spending Cuts

Consumer confidence is at its best level in seven years this week, and few Americans plan to rein in their Christmas spending - a positive sign for retailers.

The ABC/Money Consumer Comfort Index rose one point to -5 this week, matching results from two weeks ago that were the highest since Feb. 5, 1989.

The index has now averaged -6 over the last four weekly reports, three points better than its pre-recession average of -9 and seven points below its average for this year. So far in the second half of this year, the index has averaged -9.

It's been a lot further away through most of the '90s:

	ABC/Money Index
Today	-5
Since 6/30/96	-9
1996 average	-12
1995	-15
1994	-19
1993	-37
1992	-44
1991	-37
1990	-24
1989	-11
1988	-9
1987	-10
1985-6	-3

HOLIDAY SHOPPING - Thirty-three percent of Americans now say they plan to spend less money on gift for friends and family this Christmas than they did last year. That's five points better than 1995 and the best figure since October 1989, suggesting a better retail season this year.

At the same time only 11 percent are planning to spend more this season than last, the lowest number since October 1991 just before a disastrous retail season. (In 1991, a whopping 47 percent said they planned to cut back their holiday spending, the most ever in the 11-year-old poll.) Fifty-five percent say they will spend about the same as last year - that's the highest number planning to stand pat since the poll's start.

ELECTION - The index remains as high now as it was in November 1988, when the incumbent party retained control of the White House. And it's much better than it was in 1992, when the incumbent lost, or 1994, when the GOP took over both houses of Congress.

	ABC/Money Index
10/6/96	- 5 Clinton?

11/94                -20 Dem loss  
 11/92                -49 Bush loss  
 11/88                - 6 Bush win

INDICES - The index is based on ratings of personal finances, the economy and the buying climate. Sixty-one percent now say their own finances are in good shape, up a point from last week. It's just one point from its record, 62 percent in December 1987.

The other two gauges hardly changed this week and are, as usual, much more negative. Fifty-seven percent rate the national economy negatively (one point better) and 61 percent call it a bad time to buy things (same as last week).

While those numbers include some built-in skepticism, they're much better than they've been. At the start of this year 66 percent of Americans said the economy was in bad shape; in January 1993 it was a record 93 percent; and the 1990-93 average was 85 percent negative.

	Today	1990-93	1986-90
Negative on national economy	57	85	59
Negative on buying climate	61	74	61
Positive on personal finances	61	49	57

GROUPS - A further improvement in confidence among women (from -19 three weeks ago up to -8 now) helped this week's advance in the index and narrowed the gap between men and women on their rating of the economy to just eight points. The index is 0 among men.

Nonetheless, confidence still lags in economically vulnerable groups, including women, blacks, the poor and the less-educated.

The index is +35 in higher-income households but -42 in the lowest; -1 among whites but -28 among blacks; and +7 among people who have attended college but -28 among high school dropouts.

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

NATIONAL ECONOMY- Fifty-seven percent rate the economy negatively, down a point this week. It's averaged 63 percent this year, compared to 85 percent from 1990-93 and 59 percent from 1986-1990. The worst, 93 percent, was in late 1991 and early 1992; the best, 50-50, was April 27, 1986. The average for the life of the index is 69 percent negative.

PERSONAL FINANCES - Sixty-one percent rate their finances positively, up a point. It's averaged 57 percent this year, compared to 49 percent in the 1990-93 slump and 57 percent before the recession. The worst was 58 percent negative March 14, 1993; the best, 62 percent positive Dec. 20, 1987. The full average is 54 percent positive.

BUYING CLIMATE - Sixty-one percent call this a bad time to buy things, same as last week. It's averaged 63 percent this year, compared to 74 percent during the 1990-93 slump and 61 percent before the recession. The worst is 80 percent negative Nov. 2 and Oct. 28, 1990; the best, 52 percent positive May 11, 1986. The full average is 66 percent negative.

National	Personal	Buying
Economy	Finances	Climate

This week	57% neg	61% pos	61% neg
1996 Average	63% neg	57% pos	63% neg
Recession Average (mid-1990 to 1993)	85% neg	51% neg	74% neg
Pre-Recession Avg. (1986 to mid-1990)	59% neg	57% pos	61% neg
Full Average (1986-1995)	69% neg	54% pos	66% neg
Worst	93% neg	58% neg	80% neg
Best	50% pos	62% 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 is done by ICR/AUS Consultants of Media, Pa. This week's results are based on 1,039 interviews in the month ending Oct. 13 and have an error margin of plus or minus 3.5 percentage points. The Christmas spending question is based on 516 interviews in the two weeks ending Oct. 13 and has an error margin of five.

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.

Here are the full results for the Christmas spending question:

154. Compared to last year, would you say this Christmas you will spend more, less, or about the same on presents for friends and family?

	More	Less	Same	Don't Celebrate (vol.)	No Opin.
10/13/96	11	33	55	1	0
11/26/95	13	38	48	1	0
10/15/95	13	36	50	1	0
11/27/94	15	34	48	1	1
10/16/94	14	34	51	0	1
10/17/93	14	38	47	0	0
11/29/92	10	41	47	2	1
10/18/92	12	41	45	1	-
10/20/91	11	47	40	1	0
10/21/90	14	38	45	1	1

10/22/89	20	32	47		1		1	
10/30/88	16	32	51		-		-	
12/17/87	25	29	45		*		1	
10/26/87	17	29	53		1		*	
11/30/86	17	36	46		-		-	
12/17/85	25	28	45		3		-	

10/13/96	This	Last	4 Wks	3 Mo.	1 Yr.	12 Mo	12 Mo	12 Mo
	Week	Week	Ago	Ago	Ago	High	Low	Avg
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Group

GENERAL POPULATION:

Overall Index	-5	-6	-11	-9	-16	-5	-21	-13
State of Economy	-14	-16	-16	-24	-32	-14	-38	-27
Personal Finances	22	20	10	16	12	22	8	14
Buying Climate	-22	-22	-26	-18	-28	-18	-36	-26

OVERALL INDEX BY DEMOGRAPHIC GROUPS

Sex:

Men	0	3	4	4	0	7	-11	-1
Women	-8	-13	-25	-20	-30	-8	-33	-23

Age:

18 - 34	-3	-4	-10	-9	-11	-3	-23	-11
35 - 44	-12	-12	-19	-4	-11	-3	-23	-14
45 - 54	10	-4	-5	-20	-20	10	-36	-14
55 - 64	-3	3	-22	-17	-22	3	-40	-16
65 +	-10	-7	1	1	-22	9	-34	-13

Income:

Under \$15K	-42	-43	-49	-49	-52	-42	-61	-50
\$15K To \$24.9K	-18	-19	-32	-40	-38	-12	-48	-33
\$25K To \$39.9K	-19	-10	-9	-2	-23	-2	-26	-14
\$40K To \$49.9K	6	3	5	11	6	21	-31	2
Over \$50K	35	30	22	28	29	35	12	23

Region:

Northeast	-16	-16	-10	-11	-17	-9	-34	-20
Midwest	6	9	6	-7	-11	10	-21	-4
South	-3	-6	-15	-13	-15	-3	-24	-14
West	-9	-11	-23	-1	-20	6	-23	-13

Race:

White	-1	0	-4	-6	-13	1	-15	-8
Black	-28	-42	-48	-34	-27	-23	-56	-40

Politics:

Republican	3	7	-1	6	-5	11	-8	1
Democrat	-3	-6	-19	-13	-18	-3	-28	-16
Independent	-13	-11	-8	-16	-19	-8	-26	-17

Education:

< High School	-28	-40	-46	-36	-51	-28	-51	-41
High Sch. Grad.	-9	-7	-18	-22	-25	-7	-30	-21
College +	7	8	6	10	5	11	-6	3

Home:

Own	0	0	-2	-4	-13	2	-15	-6
Rent	-13	-19	-33	-23	-23	-13	-37	-29

Marital Status:

Single	-14	-13	-5	-16	-13	0	-26	-12
Married	1	0	-9	-3	-12	1	-18	-8
Sep/Wid/Div	-15	-19	-26	-19	-32	-15	-45	-32

Employ. Status:

Full-Time	2	1	-4	2	-4	7	-14	-4
Part-Time	-10	-9	-20	-21	-16	-4	-35	-18
Not Employed	-11	-13	-18	-18	-34	-10	-34	-24