

Economic Confidence Continues to Strengthen

Consumers' confidence in the national economy and their own finances advanced again this week, reaching its highest level since mid-October and approaching the record high set earlier this year.

Seventy-one percent of consumers rate the economy favorably, up two points from last week. Sixty-seven percent are satisfied with their personal finances, also up two points, and just three points from the record set Aug. 30. Half say it's a good time to buy things.

	Today	Positive Ratings		12-year avg.
		Record high	Record low	
National Economy	71%	76	7	36
Personal Finances	67	70	42	55
Buying Climate	50	55	20	36

SHOP - Consumer confidence is having its best year by far since the weekly ABC News/Money magazine poll began in late 1985, and retailers are feeling the benefits. The federal government reported Tuesday that retail sales rose one percent in October, the biggest one-month increase in five months. That was in line with the ABC/Money finding late last month that more Americans plan to boost their spending on holiday gifts this year than at any time since pre-recession 1989.

INDEX - The ABC/Money Consumer Comfort Index, based on ratings of the economy, personal finances and the buying climate, stands at +25 on its scale of -100 to +100, up two points this week, and six points below its record high Aug. 30. It has averaged +23 this year, compared to a previous best year of +5 and a lifetime average of -15.

	ABC/Money Index	
Today	+25	
Last week	+23	
Aug. 30	+31	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	-15	

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

GROUPS - The index increased most notably this week among older people, men and middle- and lower-income consumers. The index rose eight points among consumers age 55 and over to +29, six points among men to +36, and five points among people with household incomes under \$50,000 annually, to +9. The index among more affluent consumers dropped one point this week, but remained the highest of any group at +54.

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 two points 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	8	63	29	22	7
Avg. since 12/85	36	2	33	64	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-seven percent say excellent or good, one point higher than last 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	67	6	61	33	24	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 percent say excellent or good, up one 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	50	3	47	50	35	15
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 1,025 interviews in the month ending Nov. 15 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 Ben Fitzpatrick.

ABC News polls are available at ABCNews.com on the internet.

11/15/98	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	25	23	25	26	9	31	9	22
State of Economy	42	38	42	40	18	52	16	37
Personal Finances	34	32	30	32	22	40	16	29
Buying Climate	0	-2	2	6	-12	10	-12	0

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	36	30	34	39	17	40	14	31
Women	15	15	16	13	3	21	-4	13
Age:								
18 - 34	17	18	23	24	3	29	2	17
35 - 44	27	22	30	22	10	37	5	23
45 - 54	29	31	24	17	11	38	9	23
55 - 64	29	19	24	34	18	47	12	27
65 +	29	22	23	34	14	35	-2	23
Income:								
Under \$15K	-25	-30	-19	-11	-33	-6	-42	-26
\$15K To \$24.9K	5	1	-2	-5	-6	18	-27	-1
\$25K To \$39.9K	23	19	22	14	7	25	5	16
\$40K To \$49.9K	38	32	42	40	27	60	15	39
Over \$50K	54	55	56	58	33	66	33	56
Region:								
Northeast	30	25	20	30	6	37	4	20
Midwest	30	24	35	38	11	40	11	28
South	15	17	23	15	12	29	3	19
West	32	27	21	25	7	40	2	20
Race:								
White	30	27	27	26	15	33	13	26
Black	-4	-5	10	14	-27	15	-27	-5
Politics:								
Republican	35	34	32	36	27	46	17	35
Democrat	29	24	30	27	4	35	4	21
Independent	21	19	23	16	7	30	0	16
Education:								
< High School	-3	-2	2	4	-21	14	-38	-11
High Sch. Grad.	15	11	21	19	4	27	1	14
College +	43	39	36	37	25	48	24	38
Home:								
Own	34	31	34	32	20	39	16	29
Rent	1	1	3	8	-13	15	-13	3
Marital Status:								
Single	20	18	22	24	-5	34	-5	17
Married	32	30	29	31	21	36	15	28
Sep/Wid/Div	-3	0	13	6	-17	18	-22	1
Employ. Status:								
Full-Time	34	28	28	30	15	37	14	29
Part-Time	17	27	31	16	5	31	-5	15
Not Employed	13	12	16	20	3	25	-6	12

