

ABC NEWS/MONEY CONSUMER INDEX – 12/19/99

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Confidence Remains High

Consumer confidence held steady in the closing days of the holiday shopping season, just a little below its 14-year high.

Ratings of the buying climate are near record levels for the fifth straight week, with 54 percent of Americans saying it's a good time to buy things. More, 74 percent, rate the economy positively, and 65 percent say their own finances are in good shape.

1999 will be the best year on record for these views since the weekly ABC News/Money magazine poll began in December 1985.

Positive ratings:	Today	----- Since 12/85 -----		Average
		Highest	Lowest	
National Economy	74%	77	7	38
Personal Finances	65	70	42	56
Buying Climate	54	56	20	37

Confidence has been soaring for two years, boosted by rising incomes, low inflation and interest rates and the strong job market. This year strong consumer confidence is fueling an increase in holiday spending: An ABC News poll last week found that Americans expect to spend an average of \$869 on gifts this year, a sharp increase from last year and the most in polls dating to 1989.

INDEX –The ABC/Money Consumer Comfort Index stands at +29 on its scale of +100 to –100, three points from its all-time record. The index has averaged +28 so far this year, four points higher than the full-year record of +24 set last year.

	ABC/Money Index	
Today	+29	
Last week	+29	
Record high	+32	(1/17, 3/7, 3/14)
1999 average	+28	
1998 average	+24	Best full year
1992 average	-44	Worst full year
Feb. 9, 1992	-50	Record low
Average since 12/85	-12	

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

GROUPS – As usual, confidence is higher among better-off Americans: The index is +61 in higher-income households compared to -29 in the lowest; +43 among college

graduates but -13 among high-school dropouts; +34 among whites but -2 among blacks; and +41 among men compared to +16 among women.

Here's a closer look at the three components of the 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 from last week. The record, 77 percent, was set Jan. 10 and tied in March, April and July. The worst rating was seven percent in late 1991 and early 1992.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	74%	15	59	26	20	6
Avg. since 12/85	38	3	35	62	41	21

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 one point from last week. The record, 70 percent, was set Aug. 30, 1998, and tied this January, June and September. The worst was 42 percent March 14, 1993.

	Pos. NET	Excel.	Good	Neg. NET	Not good	Poor
This week	65%	7	58	35	27	8
Avg. since 12/85	56	4	52	44	31	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-four percent say excellent or good, the same as last week. The record, 56 percent, was set on Nov. 29, 1998 and tied Dec. 5, 1999; the worst rating, 20 percent, was set in fall 1990.

	Pos. NET	Excel.	Good	Neg. net	Not good	Poor
This week	54%	5	49	46	32	14
Avg. since 12/85	37	3	35	63	41	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 1,045 interviews in the month ending Dec. 19 and have an error margin of plus or minus three percentage points. Fieldwork by ICR-International Communications 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 Daniel Merkle.

ABC News polls can be found at ABCNEWS.com on the Internet, at:

<http://abcnews.go.com/sections/politics/PollVault/PollVault.html>

12/19/99	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	29	29	27	27	24	32	22	28
State of Economy	48	46	42	42	42	54	38	46
Personal Finances	30	32	32	38	32	40	28	33
Buying Climate	8	8	8	2	-2	12	-4	4

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	41	41	35	33	31	44	30	35
Women	16	17	19	21	16	31	11	20
Age:								
18 - 34	20	20	19	26	20	35	16	26
35 - 44	37	35	30	28	24	40	13	28
45 - 54	34	35	30	28	32	41	13	28
55 - 64	32	34	30	24	30	47	13	28
65 +	26	29	26	26	17	37	17	27
Income:								
Under \$15K	-29	-32	-31	-20	-30	-11	-42	-24
\$15K To \$24.9K	6	4	8	-11	-10	12	-15	-1
\$25K To \$39.9K	30	33	24	29	23	38	8	25
\$40K To \$49.9K	39	31	34	35	35	56	27	42
Over \$50K	61	64	60	61	62	67	53	60
Region:								
Northeast	38	41	29	35	20	42	19	30
Midwest	23	28	37	26	35	41	20	32
South	24	26	27	19	24	31	14	24
West	30	23	15	33	13	43	13	27
Race:								
White	34	35	31	30	26	37	26	32
Black	-2	-11	-1	12	9	22	-11	4
Politics:								
Republican	52	49	41	38	34	52	32	40
Democrat	23	25	33	28	25	35	15	26
Independent	19	21	16	20	18	34	13	23
Education:								
< High School	-13	-15	-6	-12	-18	6	-27	-10
High Sch. Grad.	26	23	17	21	14	31	12	20
College +	43	47	44	45	44	52	38	45
Home:								
Own	36	38	37	31	31	40	26	34
Rent	7	6	5	15	3	26	-3	11
Marital Status:								
Single	21	21	27	23	18	36	8	24
Married	35	36	31	33	30	41	27	34
Sep/Wid/Div	8	9	6	8	1	18	-9	6
Employ. Status:								
Full-Time	38	37	36	33	35	42	30	36
Part-Time	25	24	25	30	18	38	7	23
Not Employed	14	17	14	18	6	26	6	16

END