

SURVEY#: 507 DATE: 2/06/96 TO 9/09/99 #INT: 1 GEN USA
ABC NEWS/MONEY CONSUMER INDEX - 12/21/97
EMBARGOED FOR RELEASE AFTER 6:30 p.m. Wednesday, Dec. 24, 1997

Confidence Closing '97
In Record-Setting Style

Consumer confidence is closing out 1997 in record-smashing style, riding an extraordinary wave of economic satisfaction that's held fast since spring, the latest ABC News/Money magazine poll shows.

Sixty-two percent of Americans now rate the economy positively, tying the record high in this weekly poll and 29 points more than the 12-year average. Sixty percent rate their finances positively, two points short of the record. And 45 percent call this a good time to spend money.

The ABC/Money Consumer Comfort Index, based on these gauges, gained a point this week to +12 on its scale of +100 to -100, two points from its best week, +14 on Sept. 7. It's averaged a record +4 this year, seven points better than its previous one-year best, -3 in 1986.

While confidence has been strong all year, it rocketed late last spring and has stayed aloft since. The index has averaged +10 since June 1, compared to -3 in the first five months of 1997.

It seems that growing wages, plentiful jobs and low inflation are fueling consumer faith in the economy, overpowering potential worries such as Asia's economic turmoil or gyrations in the U.S. stock markets.

ABC/Money Index			
1997	+4	1991	-37
1996	-11	1990	-24
1995	-15	1989	-11
1994	-19	1988	-10
1993	-37	1987	-9
1992	-44	1986	-3
Lifetime average -18			
Best, 9/7/97 +14			
Worst, 2/9/92 -50			

SCORES - Ratings of the economy lead the index. Ratings of the buying climate are 10 points better than average; ratings of personal finances, six points better.

	Positive Ratings	
	Today	12-yr avg.
National Economy	62%	33%
Personal Finances	61	55
Buying Climate	45	35

GROUPS - High as it is, confidence lags in economically vulnerable groups, including women, blacks, the poor and the less-educated. The index is +28 among men but -4 among women; +16 among whites but -19 among blacks; +45 in higher-income households but -27 in the lowest; and +24 among people who've attended college but -26 among high school dropouts.

WILDCARD - A wildcard question this week found that paying down debt remains the country's most popular economic New Year's resolution, cited by 32 percent. Next are raising savings, 23 percent; raising incomes, 21 percent; reducing taxes, 12 percent; and buying things, six percent.

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

NATIONAL ECONOMY- Sixty-two percent rate the economy positively, up a point to tie the record set in August and September. It's averaged 54 percent this year and 33 percent for the life of the index. The worst was 93 percent negative in late 1991 and early 1992.

PERSONAL FINANCES - Sixty-one percent rate their finances positively, up one point. It's averaged 60 percent this year and 55 percent for the life of the index. The best was 64 percent positive Aug. 3; the worst, 58 percent negative March 14, 1993.

BUYING CLIMATE - Fifty-five percent call this a bad time to buy things, unchanged. It's averaged 57 percent negative this year and 65 percent for the life of the index. 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	62% pos	61% pos	55% neg
1997 Average	54% pos	60% pos	57% neg
Full Average	67% neg	55% 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. This week's results are based on 1,054 interviews in the month ending Dec. 21 and have an error margin of plus or minus three percentage points. The wildcard question was conducted Dec. 11-21 among 525 adults and has a 4.5-point error margin.

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 Gary Langer.

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.

Please note: This will be the last ABC/Money report of 1997. The next report is scheduled for release on Wednesday, Jan. 7, 1998.

12/21/97	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	12	11	9	11	-6	14	-8	4
State of Economy	24	22	16	20	-6	24	-8	8
Personal Finances	22	20	22	22	14	28	10	20
Buying Climate	-10	-10	-10	-10	-26	-4	-30	-15

OVERALL INDEX BY DEMOGRAPHIC GROUPS								
Sex:								
Men	28	21	14	23	6	28	4	15
Women	-4	1	5	0	-17	6	-19	-5
Age:								
18 - 34	11	7	5	8	-4	17	-10	2
35 - 44	11	6	5	13	-13	15	-13	3
45 - 54	14	12	9	7	-1	19	-12	4
55 - 64	18	28	20	12	-10	28	-17	7
65 +	6	9	16	18	-4	35	-10	11
Income:								
Under \$15K	-27	-39	-35	-34	-40	-24	-56	-39
\$15K To \$24.9K	-9	-9	-10	-3	-31	7	-34	-16
\$25K To \$39.9K	9	10	10	12	-8	20	-8	4
\$40K To \$49.9K	24	20	20	28	-1	33	-4	12
Over \$50K	45	43	36	39	36	51	25	39
Region:								
Northeast	13	12	8	9	-9	14	-16	2
Midwest	19	15	12	18	-7	20	-8	8
South	4	6	8	7	-7	20	-13	3
West	14	10	10	10	-2	21	-10	6
Race:								
White	16	14	15	17	-2	19	-3	9
Black	-19	-16	-22	-24	-25	0	-42	-23
Politics:								
Republican	24	24	27	24	6	31	0	18
Democrat	7	7	7	4	-5	12	-10	2
Independent	13	9	0	10	-14	16	-16	-1
Education:								
< High School	-26	-38	-27	-13	-37	-5	-41	-24
High Sch. Grad.	11	12	3	-1	-12	14	-19	-4
College +	24	24	27	27	9	30	9	21
Home:								
Own	18	16	17	17	-1	21	-1	12
Rent	-3	-2	-8	-3	-18	2	-27	-14
Marital Status:								
Single	8	2	-4	1	-6	12	-16	-1
Married	19	19	22	19	-1	23	-1	12
Sep/Wid/Div	-13	-14	-22	-11	-22	0	-29	-17
Employ. Status:								
Full-Time	24	22	14	17	5	25	-1	12
Part-Time	-5	-5	6	10	-22	15	-22	-1

Not Employed

-2 -2 3 1 -16 9 -21 -4