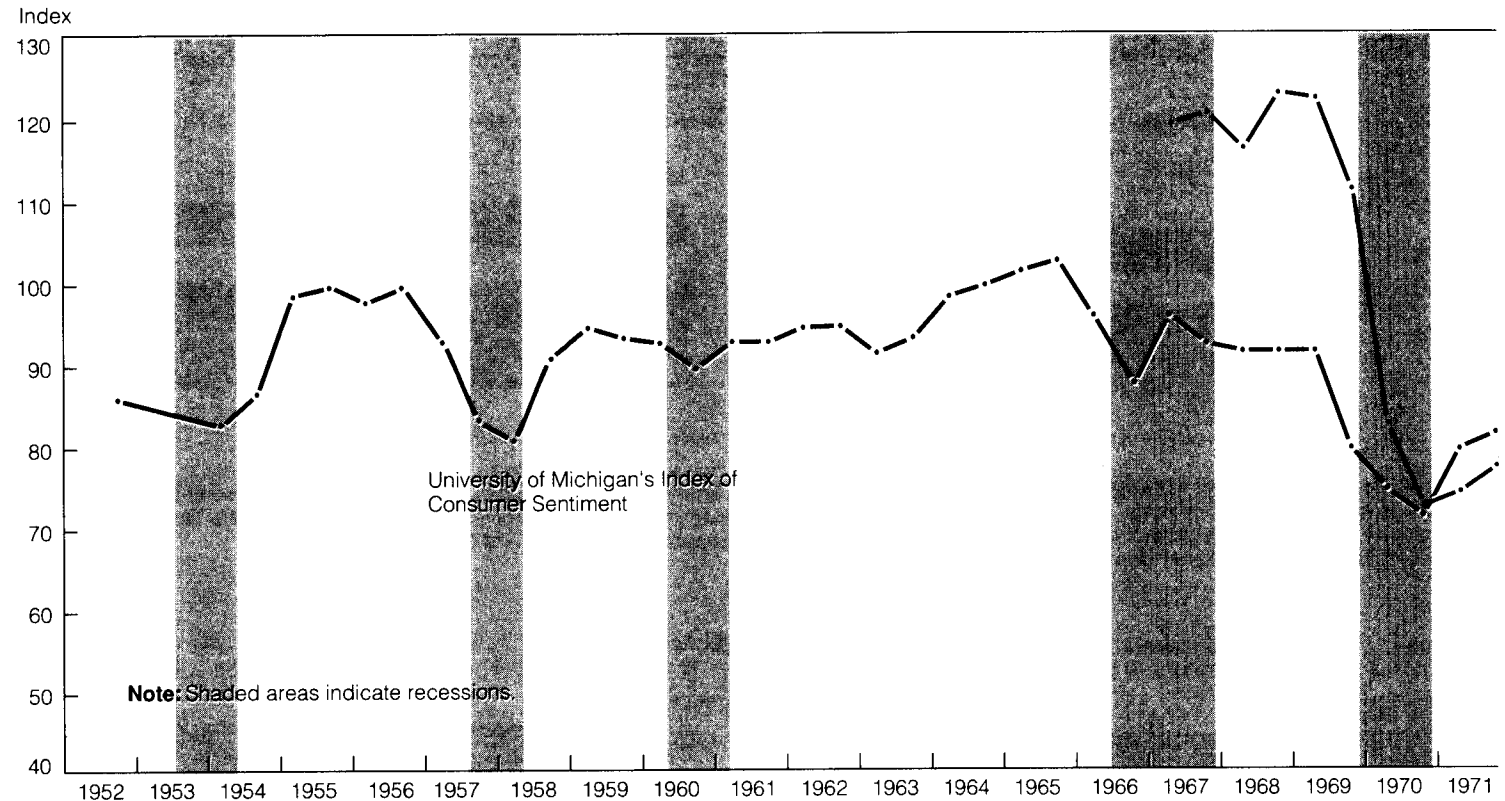


WHAT WE THINK ABOUT THE ECONOMY

Recent steep declines in consumer confidence mirror those observed during past recessions. Signs that consumer confidence may be rebounding are visible in recent upticks in the University of Michigan and Conference Board indexes.



MICHIGAN INDEX OF CONSUMER SENTIMENT

The Index of Consumer Sentiment is a composite number that takes into account the answers to this series of questions:

1. Would you say that you and your family are better off or worse off financially than you were a year ago?
2. Now, looking ahead—do you think that a year from now you and your family will be better off financially, or worse off, or just about the same?
3. Now, turning to business conditions in the country as a whole—do you think that during the next twelve months, we'll have good times financially, or bad times, or what?
4. Looking ahead, which would you say is more likely—that in the country as a whole, we'll have continuous good times during the next five years or so, or that we will have periods of widespread unemployment, or depression, or what?
5. About the big things people buy for their homes—I mean furniture, home furnishings, refrigerator, stove, television, and things like that. In general, do you think now is a good time or a bad time to buy such household items?

Note: For data prior to 1962 the base is Fall 1956 = 100. In 1962 and later years, the base is February 1986 = 100, a date selected because the index value on the old base happened to be 100 in February 1986, thus linking the two sets of data.

Source: Surveys by Survey Research Center, University of Michigan, latest that of February, 1991.

CONFERENCE BOARD CONSUMER CONFIDENCE INDEX

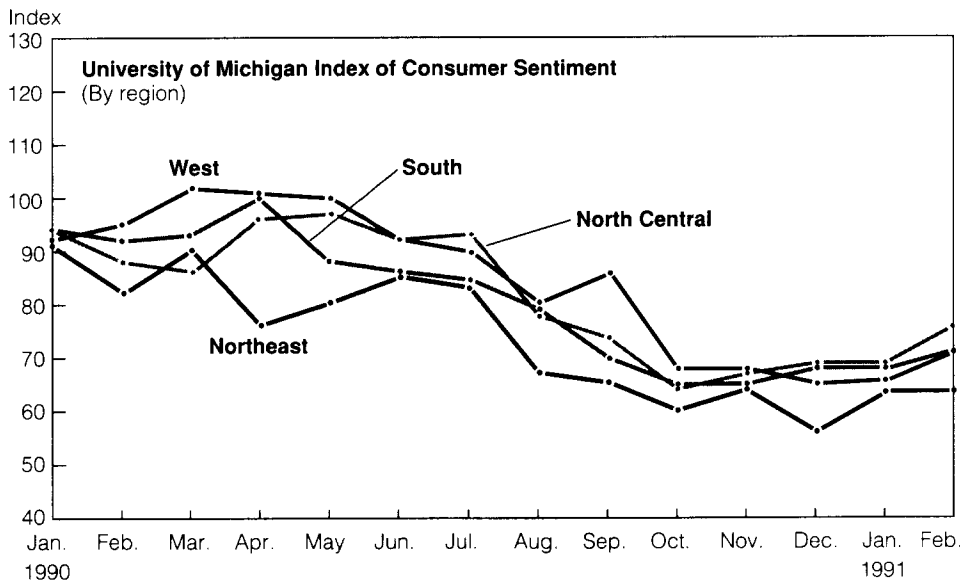
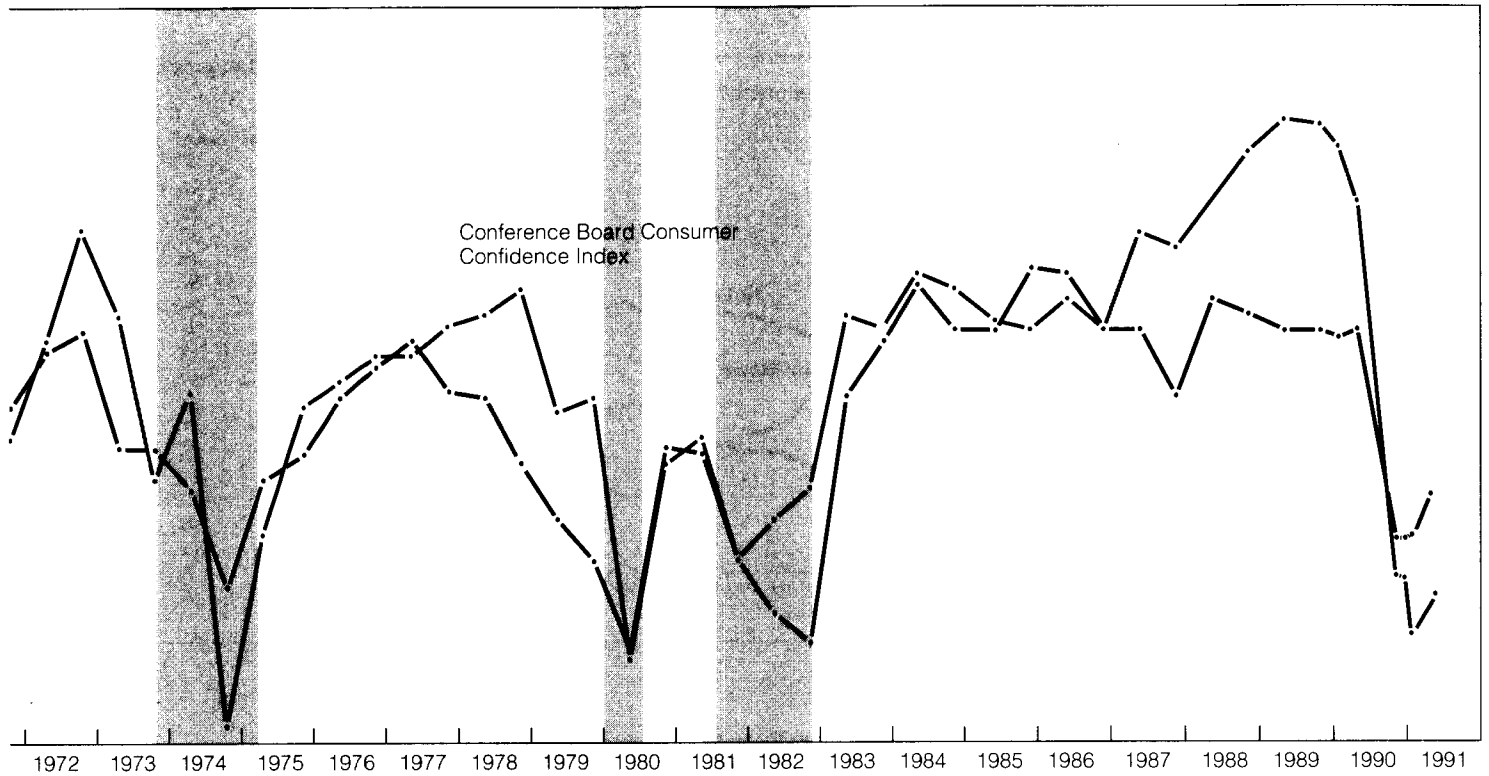
The Consumer Confidence Index is a composite number that takes into account the answers to this series of questions:

1. How would you rate the present general business conditions in your area? Good, normal, or bad?
2. Six months from now, do you think they will be better, same, or worse?
3. What would you say about available jobs in your area right now? Plenty, not so many, or hard to get?
4. Six months from now, will there be more, same or fewer?
5. How would you guess your total family income to be six months from now? Higher, the same, lower?

Note: Survey is a mail survey. 1985 = 100.

Source: Survey by National Family Opinion, Inc. for the Conference Board, latest that of February, 1991.

The recession has affected all regions, but negative reports from the Northeast stand out.



	Northeast	North Central	South	West
J 1990	91	94	94	92
F	82	88	92	95
M	90	86	93	102
A	76	96	100	101
M	80	97	88	100
J	85	92	86	92
J	83	93	85	90
A	67	78	79	80
S	65	74	70	86
O	60	64	65	68
N	64	67	65	68
D	56	69	68	65
J 1991	63	69	68	66
F	64	76	71	71

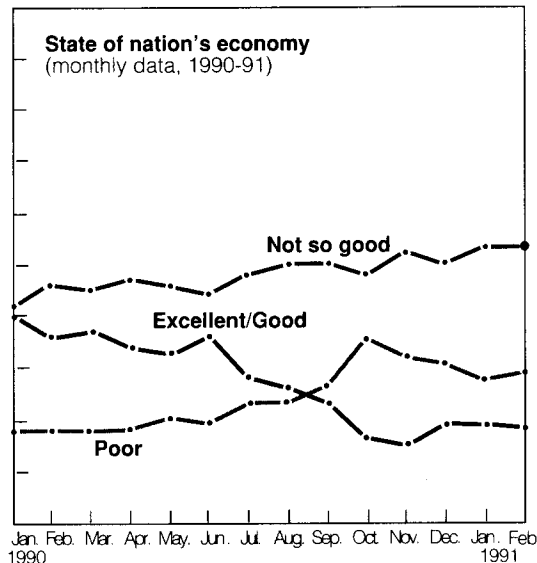
Source: Surveys by the Survey Research Center, University of Michigan, latest that of February, 1991.

National v. Personal Expectations

People tend to see their own finances as better than the state of the nation's economy. In February 1991, 50% of respondents reported that their personal finances were good or excellent, down from 59% in January 1990. Over the same period, the number saying that the nation's economy was good or excellent fell from 40% to 17%.

Question: **Would you describe the state of the nation's economy these days as excellent, good, not so good, or poor?**

Percent



State of the nation's economy

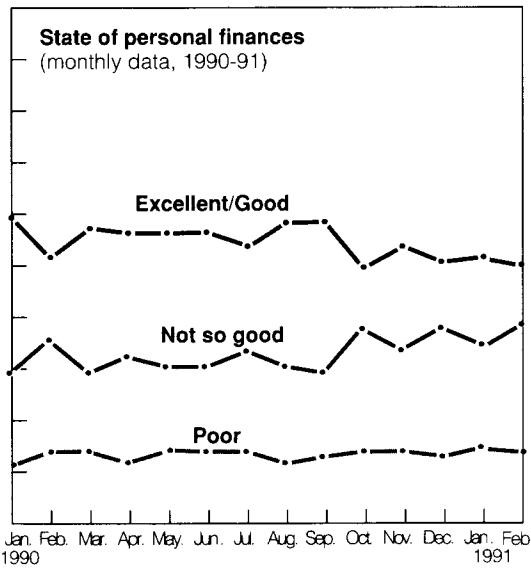
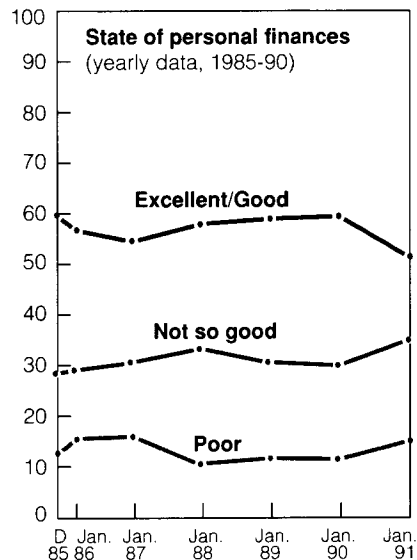
Completed	Excellent	Good	Not so good	Poor
Dec. 1985	3	37	41	19
Jan. 26, 1986	3	41	37	19
Jan. 25, 1987	3	35	41	21
Jan. 31, 1988	2	32	48	18
Jan. 29, 1989	2	45	39	14
Jan. 28, 1990	1	39	42	18
Feb. 25	1	35	46	18
Mar. 25	1	36	45	18
Apr. 29	1	33	47	19
May 27	2	31	46	21
Jun. 24	1	35	44	20
Jul. 29	1	27	48	24
Aug. 26	1	25	50	24
Sep. 30	2	21	50	27
Oct. 28	1	15	48	36
Nov. 25	0	15	52	33
Dec. 30	1	18	50	31
Jan. 27, 1991	1	18	53	28
Feb. 24	1	16	54	29

Note: Four-week rolling averages ending last week of each month shown.

Source: Surveys by ABC News/Money.

Question: **Would you describe the state of your own personal finances these days as excellent, good, not so good, or poor?**

Percent



State of personal finances

Completed	Excellent	Good	Not so good	Poor
Dec. 1985	6	53	28	13
Jan. 26, 1986	5	52	29	14
Jan. 25, 1987	4	50	30	16
Jan. 31, 1988	5	52	32	11
Jan. 29, 1989	4	54	30	12
Jan. 28, 1990	6	53	29	12
Feb. 25	3	48	35	14
Mar. 25	4	53	29	14
Apr. 29	3	53	32	12
May 27	4	52	30	14
Jun. 24	4	52	30	14
Jul. 29	5	48	33	14
Aug. 26	4	54	30	12
Sep. 30	6	52	29	13
Oct. 28	3	46	37	14
Nov. 25	3	50	33	14
Dec. 30	3	47	37	13
Jan. 27, 1991	3	48	34	15
Feb. 24	3	47	37	13

Note: Four-week rolling averages ending last week of each month shown.

Source: Surveys by ABC News/Money.