

Summary of Selected Findings: New Jersey

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	12%	11%	12%	
Somewhat difficult	38%	39%	38%	
Not at all difficult	46%	48%	47%	
Spending vs. saving				
Spending less than income	41%	40%	41%	
Spending about equal to income	36%	38%	36%	
Spending more than income	18%	18%	18%	
Overdraw checking account occasionally	19%	19%	20%	<i>Respondents with checking accounts</i>
Have unpaid medical bills	18%	21%	18%	
Number of times mortgage payments have been late				
Once	3%	7%	9%	<i>Respondents with mortgages</i>
More than once	8%	9%	12%	
Have taken a loan from retirement account in past year	11%	13%	16%	<i>Respondents with self-directed employer plan or non-employer plan</i>
Have taken a hardship withdrawal from retirement account in past year	8%	10%	13%	
Have experienced large unexpected drop in income in past year	23%	22%	23%	
Planning Ahead				
Have emergency funds	49%	46%	49%	
Do not have emergency funds	44%	50%	45%	
Have tried to figure out retirement savings needs	38%	39%	36%	<i>Non-retired respondents</i>
Have not tried to figure out retirement savings needs	56%	56%	58%	
Have set aside money for children's college education	47%	41%	46%	<i>Respondents with financially dependent children</i>
Have not set aside money for children's college education	51%	56%	50%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension, 401(k))	55%	53%	52%	<i>Non-retired respondents</i>
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	31%	28%	31%	
Regularly contribute to self-directed retirement account	75%	79%	78%	<i>Respondents with self-directed employer plan or non-employer plan</i>

	State	Nation	Region	
<i>Stocks, Bonds, and Mutual Funds</i>				
Invest in stocks, bonds, mutual funds, or other securities outside of retirement account	33%	30%	34%	
Managing Financial Products				
<i>Banking</i>				
Have checking account	91%	91%	90%	
Have savings account, money market account, or CDs	73%	75%	73%	
<i>Credit Cards</i>				
Credit card behaviors in past year				
Always paid credit cards in full	56%	52%	54%	
Carried over a balance and was charged interest	41%	47%	45%	
Paid the minimum payment only	28%	32%	32%	<i>Respondents with credit cards</i>
Charged a late fee for late payment	10%	14%	14%	
Charged an over the limit fee for exceeding credit line	4%	8%	8%	
Used the cards for a cash advance	9%	11%	12%	
<i>Other Payment Methods</i>				
Use reloadable prepaid debit cards	23%	24%	25%	
Use mobile payment methods	28%	22%	26%	
<i>Mortgages</i>				
Have mortgage	58%	57%	52%	<i>Homeowners</i>
Have home equity loan	17%	16%	20%	
Home "underwater" (negative equity)	9%	9%	11%	<i>Homeowners</i>
<i>Other Debt</i>				
Have student loan	25%	26%	27%	
Have auto loan	22%	30%	25%	
<i>Non-Bank Borrowing</i>				
Non-bank borrowing methods used in past 5 years				
Auto title loan	6%	10%	9%	
Short term 'payday' loan	8%	12%	10%	
Pawn shop	11%	16%	13%	
Rent-to-own store	6%	10%	10%	
Used one or more non-bank borrowing methods in past 5 years	17%	26%	21%	

Financial Knowledge & Decision-Making

Financial Literacy

Suppose you had \$100 in a savings account and the interest rate was 2% per year. After 5 years, how much do you think you would have in the account if you left the money to grow?

<u>More than \$102</u> (correct answer)	73%	75%	72%
Exactly \$102	7%	8%	9%
Less than \$102	6%	5%	5%
Don't know	13%	12%	14%

Imagine that the interest rate on your savings account was 1% per year and inflation was 2% per year. After 1 year, how much would you be able to buy with the money in this account?

More than today	9%	10%	10%
Exactly the same	12%	10%	12%
<u>Less than today</u> (correct answer)	54%	59%	55%
Don't know	24%	20%	23%

If interest rates rise, what will typically happen to bond prices?

They will rise	18%	19%	18%
<u>They will fall</u> (correct answer)	28%	28%	29%
They will stay the same	8%	5%	6%
There is no relationship between bond prices and the interest rate	9%	9%	9%
Don't know	36%	38%	37%

Suppose you owe \$1,000 on a loan and the interest rate you are charged is 20% per year compounded annually. If you didn't pay anything off, at this interest rate, how many years would it take for the amount you owe to double?

Less than 2 years	3%	4%	4%
<u>At least 2 years but less than 5 years</u> (correct answer)	31%	33%	30%
At least 5 years but less than 10 years	29%	29%	29%
At least 10 years	8%	8%	9%
Don't know	27%	25%	27%

A 15-year mortgage typically requires higher monthly payments than a 30-year mortgage, but the total interest paid over the life of the loan will be less.

<u>True</u> (correct answer)	70%	75%	70%
False	11%	8%	10%
Don't know	19%	16%	19%

Buying a single company's stock usually provides a safer return than a stock mutual fund.

True	9%	10%	11%
<u>False</u> (correct answer)	47%	46%	43%
Don't know	43%	44%	46%

Mean number of correct quiz answers	3.04	3.16	2.98
Mean number of incorrect quiz answers	1.27	1.25	1.31
Mean number of "don't know" quiz answers	1.64	1.54	1.66

	State	Nation	Region	
<i>Comparison Shopping</i>				
Compared credit cards	29%	35%	32%	<i>Respondents with credit cards</i>
Did not compare credit cards	61%	58%	60%	

Notes:

Region = Middle Atlantic Census Division (New Jersey, New York, Pennsylvania).

State figures are weighted by age x gender, ethnicity and education.

National figures are weighted by age x gender, ethnicity, education and Census Division.

Census Division figures are weighted by age x gender, ethnicity, education and state.

Differences between groups may or may not be statistically significant.

Percentages may not add up to 100 because of missing or “don’t know” responses.

Survey was conducted June - October 2015.

For additional findings and details, full survey results are available for download at http://usfinancialcapability.org/downloads/NFCS_2015_Full_Data_Tables.xls