

Summary of Selected Findings: Pennsylvania

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	13%	11%	12%	
Somewhat difficult	39%	39%	38%	
Not at all difficult	47%	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	20%	19%	20%	<i>Respondents with checking accounts</i>
Have unpaid medical bills	20%	21%	18%	
Number of times mortgage payments have been late				
Once	9%	7%	9%	<i>Respondents with mortgages</i>
More than once	11%	9%	12%	
Have taken a loan from retirement account in past year	13%	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	11%	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	47%	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	58%	56%	58%	
Have set aside money for children's college education	36%	41%	46%	<i>Respondents with financially dependent children</i>
Have not set aside money for children's college education	60%	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.)	29%	28%	31%	
Regularly contribute to self-directed retirement account	81%	79%	78%	<i>Respondents with self-directed employer plan or non-employer plan</i>

State Nation Region

Stocks, Bonds, and Mutual Funds

Invest in stocks, bonds, mutual funds, or other securities outside of retirement account 32% 30% 34%

Managing Financial Products

Banking

Have checking account 92% 91% 90%

Have savings account, money market account, or CDs 73% 75% 73%

Credit Cards

Credit card behaviors in past year

Always paid credit cards in full 51% 52% 54%

Carried over a balance and was charged interest 48% 47% 45%

Paid the minimum payment only 33% 32% 32%

Charged a late fee for late payment 14% 14% 14%

Charged an over the limit fee for exceeding credit line 7% 8% 8%

Used the cards for a cash advance 10% 11% 12%

Respondents with credit cards

Other Payment Methods

Use reloadable prepaid debit cards 18% 24% 25%

Use mobile payment methods 17% 22% 26%

Mortgages

Have mortgage 49% 57% 52%

Have home equity loan 17% 16% 20%

Homeowners

Home “underwater” (negative equity) 9% 9% 11%

Homeowners

Other Debt

Have student loan 27% 26% 27%

Have auto loan 30% 30% 25%

Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years

Auto title loan 8% 10% 9%

Short term ‘payday’ loan 8% 12% 10%

Pawn shop 10% 16% 13%

Rent-to-own store 10% 10% 10%

Used one or more non-bank borrowing methods in past 5 years 19% 26% 21%

State Nation Region

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)	74%	75%	72%
Exactly \$102	8%	8%	9%
Less than \$102	4%	5%	5%
Don't know	14%	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	11%	10%	10%
Exactly the same	10%	10%	12%
<u>Less than today</u> (correct answer)	56%	59%	55%
Don't know	22%	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)	30%	28%	29%
They will stay the same	4%	5%	6%
There is no relationship between bond prices and the interest rate	11%	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	4%	4%	4%
<u>At least 2 years but less than 5 years</u> (correct answer)	28%	33%	30%
At least 5 years but less than 10 years	29%	29%	29%
At least 10 years	9%	8%	9%
Don't know	29%	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)	75%	75%	70%
False	9%	8%	10%
Don't know	16%	16%	19%

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

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

Mean number of correct quiz answers	3.07	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	28%	35%	32%	<i>Respondents with credit cards</i>
Did not compare credit cards	65%	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