

## Summary of Selected Findings: United States of America

### Making Ends Meet

Difficulty covering expenses and paying bills		
Very difficult	12%	
Somewhat difficult	35%	
Not at all difficult	50%	
Spending vs. saving		
Spending less than income	41%	
Spending about equal to income	36%	
Spending more than income	19%	
Overdraw checking account occasionally	19%	<i>Respondents with checking accounts</i>
Have unpaid medical bills	23%	
Number of times mortgage payments have been late		
Once	9%	<i>Respondents with mortgages</i>
More than once	9%	
Have taken a loan from retirement account in past year	16%	<i>Respondents with self-directed employer plan or non-employer plan</i>
Have taken a hardship withdrawal from retirement account in past year	13%	
Have experienced large unexpected drop in income in past year	20%	

### Planning Ahead

Have emergency funds	49%	
Do not have emergency funds	46%	
Have tried to figure out retirement savings needs	41%	<i>Non-retired respondents</i>
Have not tried to figure out retirement savings needs	54%	
Have set aside money for children's college education	38%	<i>Respondents with financially dependent children</i>
Have not set aside money for children's college education	57%	

### Retirement Accounts

Have employer-provided retirement plan (e.g., pension, 401(k))	54%	<i>Non-retired respondents</i>
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	29%	
Regularly contribute to self-directed retirement account	79%	<i>Respondents with self-directed employer plan or non-employer plan</i>

*Stocks, Bonds, and Mutual Funds*

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

**Managing Financial Products**

*Banking*

Have checking account 89%

Have savings account, money market account, or CDs 71%

*Credit Cards*

Credit card behaviors in past year

Always paid credit cards in full 54%

Carried over a balance and was charged interest 46%

Paid the minimum payment only 35%

Charged a late fee for late payment 16%

Charged an over the limit fee for exceeding credit line 10%

Used the cards for a cash advance 13%

*Respondents with credit cards*

*Mobile Payment Methods*

Use mobile phone to pay at point of sale 35%

Use mobile phone to transfer money to another person 37%

*Mortgages*

Have mortgage 56%

Have home equity loan 16%

*Homeowners*

Home “underwater” (negative equity) 9%

*Homeowners*

*Other Debt*

Have student loan 26%

Have auto loan 33%

*Non-Bank Borrowing*

Non-bank borrowing methods used in past 5 years

Auto title loan 11%

Short term “payday” loan 14%

Tax refund advance 10%

Pawn shop 18%

Rent-to-own store 12%

Used one or more non-bank borrowing methods in past 5 years 29%

## 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)	72%
Exactly \$102	7%
Less than \$102	6%
Don't know	13%

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	12%
Exactly the same	10%
<u>Less than today</u> (correct answer)	55%
Don't know	21%

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

They will rise	22%
<u>They will fall</u> (correct answer)	26%
They will stay the same	6%
There is no relationship between bond prices and the interest rate	10%
Don't know	36%

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	5%
<u>At least 2 years but less than 5 years</u> (correct answer)	30%
At least 5 years but less than 10 years	29%
At least 10 years	8%
Don't know	26%

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)	73%
False	9%
Don't know	17%

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

True	11%
<u>False</u> (correct answer)	43%
Don't know	45%

Mean number of correct quiz answers	3.00
Mean number of incorrect quiz answers	1.35
Mean number of "don't know" quiz answers	1.58

*Comparison Shopping*

Compared credit cards  
Did not compare credit cards

38%  
56%

*Respondents with  
credit cards*

**Notes:**

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

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 2018.

For additional findings and details, full survey results are available for download at [http://usfinancialcapability.org/downloads/NFCS\\_2018\\_Full\\_Data\\_Tables.xlsx](http://usfinancialcapability.org/downloads/NFCS_2018_Full_Data_Tables.xlsx)