

Summary of Selected Findings: New Jersey

		State	Nation	Region	
Making Ends Meet					
Difficulty covering expenses and paying bills					
	Very difficult	18%	18%	17%	
	Somewhat difficult	38%	43%	41%	
	Not at all difficult	42%	36%	39%	
Overdraw checking account occasionally		19%	26%	19%	Respondents with checking accounts
Number of times mortgage payments have been late					
	Once	6%	8%	7%	Respondents with mortgages
	More than once	9%	13%	12%	
Have taken a loan from retirement account in past year		7%	10%	9%	Respondents with self-directed employer plan or non-employer plan
Have taken a hardship withdrawal from retirement account in past year		5%	8%	8%	
Spending vs. saving					
	Spending less than income	49%	42%	46%	
	Spending about equal to income	31%	35%	31%	
	Spending more than income	16%	20%	17%	
Have experienced large unexpected drop in income in past year		34%	40%	36%	
Planning Ahead					
Have emergency funds		48%	35%	43%	
Do not have emergency funds		47%	60%	51%	
Have tried to figure out retirement savings needs		40%	37%	38%	Non-retired households
Have not tried to figure out retirement savings needs		54%	58%	57%	
Have set aside money for children's college education		44%	31%	38%	Respondents with financially dependent children
Have not set aside money for children's college education		55%	66%	59%	
Managing Financial Products					
Banking					
Have checking account		92%	91%	91%	
Have savings account, money market account, or CDs		78%	74%	76%	

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Non-Bank Borrowing				
Non-bank borrowing methods used in past 5 years				
Auto title loan	4%	6%	5%	
Short term 'payday' loan	4%	9%	4%	
Advance on tax refund (refund anticipation loan)	4%	6%	5%	
Pawn shop	6%	12%	8%	
Rent-to-own store	3%	7%	4%	
Used one or more non-bank borrowing methods in past 5 years	14%	24%	17%	
Credit Cards				
Number of credit cards				
No credit cards	13%	24%	18%	
1	13%	15%	15%	
2-3	31%	30%	30%	
4 or more	38%	28%	33%	
Credit card behaviors in past year				
Always paid credit cards in full	51%	41%	51%	
Carried over a balance and was charged interest	47%	56%	49%	
Paid the minimum payment only	30%	40%	33%	Respondents with credit cards
Charged a late fee for late payment	20%	26%	22%	
Charged an over the limit fee for exceeding credit line	10%	15%	13%	
Used the cards for a cash advance	9%	13%	12%	
Mortgages				
Have mortgage	60%	66%	55%	Homeowners
Have home equity loan	30%	22%	26%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension plan, 401(k))	56%	52%	53%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	31%	24%	29%	
Regularly contribute to self-directed retirement account	75%	75%	74%	Respondents with self-directed employer plan or non-employer plan
Portion of retirement portfolio invested in stocks or mutual funds that contain stocks				
More than half	37%	37%	37%	Respondents with self-directed employer plan or non-employer plan
Less than half	30%	25%	29%	
None	8%	9%	8%	
Don't know	23%	26%	23%	
Stocks, Bonds, and Mutual Funds				
Invest in stocks, bonds, mutual funds, or other securities outside of retirement account	47%	36%	41%	All except unbanked respondents

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Financial Knowledge & Decision-Making			
<i>Financial Literacy</i>			

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)	80%	78%	77%
Exactly \$102	4%	6%	5%
Less than \$102	4%	5%	4%
Don't know	11%	10%	12%

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	6%	7%	8%
Exactly the same	8%	7%	8%
<u>Less than today</u> (correct answer)	64%	65%	63%
Don't know	19%	19%	20%

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

They will rise	17%	18%	18%
<u>They will fall</u> (correct answer)	32%	28%	27%
They will stay the same	4%	5%	6%
There is no relationship between bond prices and the interest rate	10%	10%	9%
Don't know	35%	37%	38%

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)	74%	76%	71%
False	9%	9%	11%
Don't know	17%	15%	18%

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

True	5%	6%	6%
<u>False</u> (correct answer)	53%	53%	54%
Don't know	41%	40%	39%

Mean number of correct quiz answers	3.02	2.99	2.92
Mean number of incorrect quiz answers	0.68	0.73	0.74
Mean number of "don't know" quiz answers	1.22	1.21	1.27

Comparison Shopping

Compared credit cards	31%	32%	33%	<i>Respondents with credit cards</i>
Did not compare credit cards	64%	62%	61%	
Compared auto loans	35%	44%	42%	<i>Respondents with auto loans</i>
Did not compare auto loans	59%	53%	53%	

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<i>Credit Reports and Credit Scores</i>			
Obtained a copy of credit report in past year	42%	42%	40%
Checked credit score in past year	42%	41%	39%

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 weighed by age x gender, ethnicity, education and Census Division.

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

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 2009.

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