

Summary of Selected Findings: Louisiana

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	17%	16%	15%	
Somewhat difficult	40%	42%	42%	
Not at all difficult	40%	40%	40%	
Spending vs. saving				
Spending less than income	37%	41%	40%	
Spending about equal to income	38%	36%	36%	
Spending more than income	20%	19%	19%	
Overdraw checking account occasionally	24%	22%	23%	Respondents with checking accounts
Have unpaid medical bills	28%	26%	30%	
Number of times mortgage payments have been late				
Once	8%	8%	9%	Respondents with mortgages
More than once	14%	13%	16%	
Have taken a loan from retirement account in past year	13%	14%	21%	Respondents with self-directed employer plan or non-employer plan
Have taken a hardship withdrawal from retirement account in past year	7%	10%	16%	
Have experienced large unexpected drop in income in past year	31%	29%	32%	
Planning Ahead				
Have emergency funds	37%	40%	37%	
Do not have emergency funds	60%	56%	58%	
Have tried to figure out retirement savings needs	28%	37%	33%	Non-retired households
Have not tried to figure out retirement savings needs	65%	59%	62%	
Have set aside money for children’s college education	31%	34%	34%	Respondents with financially dependent children
Have not set aside money for children’s college education	65%	63%	63%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension plan,	40%	49%	47%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	16%	24%	20%	
Regularly contribute to self-directed retirement account	76%	77%	81%	Respondents with self-directed employer plan or non-employer plan

State Nation Region

Stocks, Bonds, and Mutual Funds

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

28% 35% 31%

All except unbanked respondents

Managing Financial Products

Managing Money

Payment methods used frequently

Cash	38%	33%	33%
Paper checks	14%	15%	14%
Credit cards	23%	30%	29%
Debit cards tied to bank account	48%	46%	49%
Pre-paid debit cards	8%	6%	9%
Online payments directly from bank account	35%	35%	34%
Money orders	6%	5%	8%

Banking

Have checking account	87%	89%	87%
Have savings account, money market account, or CDs	63%	72%	67%

Mortgages

Have mortgage	45%	60%	57%	<i>Homeowners</i>
Have home equity loan	8%	18%	11%	

Home "underwater" (negative equity)	8%	14%	13%	<i>Homeowners</i>
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Credit Cards

Credit card behaviors in past year				
Always paid credit cards in full	38%	49%	50%	<i>Respondents with credit cards</i>
Carried over a balance and was charged interest	60%	49%	49%	
Paid the minimum payment only	39%	34%	35%	
Charged a late fee for late payment	19%	16%	19%	
Charged an over the limit fee for exceeding credit line	11%	8%	11%	
Used the cards for a cash advance	13%	11%	15%	

Other Debt

Have student loan	19%	20%	19%
Have auto loan	30%	31%	34%

Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years			
Auto title loan	7%	9%	12%
Short term 'payday' loan	18%	12%	17%
Advance on tax refund (refund anticipation check)	9%	8%	10%
Pawn shop	20%	18%	26%
Rent-to-own store	14%	10%	17%
Used one or more non-bank borrowing methods in past 5 years	37%	30%	38%

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%	74%
Exactly \$102	7%	7%	8%
Less than \$102	6%	6%	5%
Don't know	10%	11%	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	9%	9%	10%
Exactly the same	9%	9%	10%
<u>Less than today</u> (correct answer)	56%	61%	55%
Don't know	23%	20%	24%

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

They will rise	23%	20%	21%
<u>They will fall</u> (correct answer)	25%	28%	26%
They will stay the same	5%	5%	5%
There is no relationship between bond prices and the interest rate	10%	9%	8%
Don't know	36%	37%	39%

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)	71%	75%	75%
False	13%	9%	9%
Don't know	16%	15%	16%

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

True	12%	9%	10%
<u>False</u> (correct answer)	41%	48%	45%
Don't know	46%	42%	44%

4 or 5 correct quiz answers

32% 39% 34%

3 or fewer correct quiz answers

68% 61% 66%

Mean number of correct quiz answers

2.67 2.88 2.74

Mean number of incorrect quiz answers

0.95 0.81 0.86

Mean number of "don't know" quiz answers

1.31 1.26 1.35

Comparison Shopping

Compared credit cards

29% 33% 32%

Did not compare credit cards

62% 61% 62%

Respondents with credit cards

<i>Credit Reports and Credit Scores</i>	State	Nation	Region
Obtained a copy of credit report in past year	37%	39%	40%
Checked credit score in past year	43%	43%	44%

Notes:

Region = West South Central Census Division (Arkansas, Louisiana, Oklahoma, Texas).

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 July - October 2012.

For additional findings and details, full survey results are available for download at
http://usfinancialcapability.org/downloads/NFCS_2012_Full_Data_Tables.xls