

## Summary of Selected Findings: Mississippi

	State	Nation	Region	
<b>Making Ends Meet</b>				
Difficulty covering expenses and paying bills				
Very difficult	24%	16%	19%	
Somewhat difficult	40%	42%	42%	
Not at all difficult	33%	40%	37%	
Spending vs. saving				
Spending less than income	37%	41%	40%	
Spending about equal to income	38%	36%	37%	
Spending more than income	22%	19%	19%	
Overdraw checking account occasionally	23%	22%	22%	<i>Respondents with checking accounts</i>
Have unpaid medical bills	41%	26%	33%	
Number of times mortgage payments have been late				
Once	5%	8%	7%	<i>Respondents with mortgages</i>
More than once	14%	13%	16%	
Have taken a loan from retirement account in past year	16%	14%	14%	<i>Respondents with self-directed employer plan or non-employer plan</i>
Have taken a hardship withdrawal from retirement account in past year	9%	10%	11%	
Have experienced large unexpected drop in income in past year	35%	29%	29%	
<b>Planning Ahead</b>				
Have emergency funds	33%	40%	36%	
Do not have emergency funds	64%	56%	61%	
Have tried to figure out retirement savings needs	32%	37%	35%	<i>Non-retired households</i>
Have not tried to figure out retirement savings needs	63%	59%	60%	
Have set aside money for children's college education	21%	34%	26%	<i>Respondents with financially dependent children</i>
Have not set aside money for children's college education	76%	63%	71%	
<b>Retirement Accounts</b>				
Have employer-provided retirement plan (e.g., pension plan,	43%	49%	43%	<i>Non-retired respondents</i>
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	14%	24%	18%	
Regularly contribute to self-directed retirement account	77%	77%	78%	<i>Respondents with self-directed employer plan or non-employer plan</i>

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*Stocks, Bonds, and Mutual Funds*

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

25%	35%	30%
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*All except unbanked respondents*

**Managing Financial Products**

*Managing Money*

Payment methods used frequently

Cash	39%	33%	37%
Paper checks	14%	15%	17%
Credit cards	24%	30%	24%
Debit cards tied to bank account	49%	46%	46%
Pre-paid debit cards	8%	6%	7%
Online payments directly from bank account	29%	35%	30%
Money orders	6%	5%	7%

*Banking*

Have checking account	81%	89%	85%
Have savings account, money market account, or CDs	58%	72%	62%

*Mortgages*

Have mortgage	52%	60%	52%	<i>Homeowners</i>
Have home equity loan	10%	18%	13%	

Home "underwater" (negative equity)	10%	14%	10%	<i>Homeowners</i>
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*Credit Cards*

Credit card behaviors in past year

Always paid credit cards in full	40%	49%	48%
Carried over a balance and was charged interest	54%	49%	50%
Paid the minimum payment only	41%	34%	35%
Charged a late fee for late payment	20%	16%	16%
Charged an over the limit fee for exceeding credit line	12%	8%	9%
Used the cards for a cash advance	18%	11%	13%

*Respondents with credit cards*

*Other Debt*

Have student loan	23%	20%	19%
Have auto loan	29%	31%	29%

*Non-Bank Borrowing*

Non-bank borrowing methods used in past 5 years

Auto title loan	9%	9%	13%
Short term 'payday' loan	15%	12%	17%
Advance on tax refund (refund anticipation check)	9%	8%	11%
Pawn shop	24%	18%	23%
Rent-to-own store	14%	10%	15%

Used one or more non-bank borrowing methods in past 5 years	38%	30%	38%
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## 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)	68%	75%	72%
Exactly \$102	8%	7%	8%
Less than \$102	7%	6%	6%
Don't know	16%	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%	11%
Exactly the same	11%	9%	9%
<u>Less than today</u> (correct answer)	52%	61%	57%
Don't know	26%	20%	22%

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

They will rise	21%	20%	21%
<u>They will fall</u> (correct answer)	23%	28%	25%
They will stay the same	3%	5%	5%
There is no relationship between bond prices and the interest rate	9%	9%	10%
Don't know	42%	37%	37%

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)	68%	75%	73%
False	13%	9%	11%
Don't know	18%	15%	15%

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

True	10%	9%	10%
<u>False</u> (correct answer)	41%	48%	46%
Don't know	49%	42%	44%

4 or 5 correct quiz answers

32% 39% 35%

3 or fewer correct quiz answers

68% 61% 65%

Mean number of correct quiz answers

2.53 2.88 2.73

Mean number of incorrect quiz answers

0.91 0.81 0.90

Mean number of "don't know" quiz answers

1.51 1.26 1.31

### Comparison Shopping

Compared credit cards

34% 33% 34%

Did not compare credit cards

60% 61% 59%

*Respondents with credit cards*

<i>Credit Reports and Credit Scores</i>	<b>State</b>	<b>Nation</b>	<b>Region</b>
Obtained a copy of credit report in past year	38%	39%	37%
Checked credit score in past year	41%	43%	42%

**Notes:**

Region = East South Central Census Division (Alabama, Kentucky, Mississippi, Tennessee).

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](http://usfinancialcapability.org/downloads/NFCS_2012_Full_Data_Tables.xls)