

## Summary of Selected Findings: New Jersey

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	19%	16%	17%	
Somewhat difficult	37%	42%	41%	
Not at all difficult	41%	40%	39%	
Spending vs. saving				
Spending less than income	46%	41%	44%	
Spending about equal to income	31%	36%	33%	
Spending more than income	18%	19%	18%	
Overdraw checking account occasionally	19%	22%	22%	Respondents with checking accounts
Have unpaid medical bills	19%	26%	21%	
Number of times mortgage payments have been late				
Once	5%	8%	10%	Respondents with mortgages
More than once	12%	13%	15%	
Have taken a loan from retirement account in past year	14%	14%	18%	Respondents with self-directed employer plan or non-employer plan
Have taken a hardship withdrawal from retirement account in past year	8%	10%	15%	
Have experienced large unexpected drop in income in past year	31%	29%	28%	
Planning Ahead				
Have emergency funds	45%	40%	46%	
Do not have emergency funds	50%	56%	49%	
Have tried to figure out retirement savings needs	36%	37%	37%	Non-retired households
Have not tried to figure out retirement savings needs	58%	59%	57%	
Have set aside money for children’s college education	40%	34%	42%	Respondents with financially dependent children
Have not set aside money for children’s college education	57%	63%	55%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension plan,	54%	49%	49%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	32%	24%	29%	
Regularly contribute to self-directed retirement account	75%	77%	76%	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

44%	35%	39%
-----	-----	-----

*All except unbanked respondents*

**Managing Financial Products**

*Managing Money*

Payment methods used frequently

Cash	34%	33%	37%
Paper checks	15%	15%	17%
Credit cards	37%	30%	33%
Debit cards tied to bank account	34%	46%	38%
Pre-paid debit cards	6%	6%	6%
Online payments directly from bank account	32%	35%	32%
Money orders	5%	5%	5%

*Banking*

Have checking account	87%	89%	89%
Have savings account, money market account, or CDs	72%	72%	73%

*Mortgages*

Have mortgage	60%	60%	52%	<i>Homeowners</i>
Have home equity loan	22%	18%	26%	

Home "underwater" (negative equity)	13%	14%	14%	<i>Homeowners</i>
-------------------------------------	-----	-----	-----	-------------------

*Credit Cards*

Credit card behaviors in past year

Always paid credit cards in full	55%	49%	56%
Carried over a balance and was charged interest	41%	49%	44%
Paid the minimum payment only	30%	34%	30%
Charged a late fee for late payment	16%	16%	16%
Charged an over the limit fee for exceeding credit line	6%	8%	8%
Used the cards for a cash advance	8%	11%	13%

*Respondents with credit cards*

*Other Debt*

Have student loan	18%	20%	20%
Have auto loan	27%	31%	30%

*Non-Bank Borrowing*

Non-bank borrowing methods used in past 5 years

Auto title loan	5%	9%	7%
Short term 'payday' loan	6%	12%	10%
Advance on tax refund (refund anticipation check)	5%	8%	10%
Pawn shop	10%	18%	14%
Rent-to-own store	4%	10%	11%

Used one or more non-bank borrowing methods in past 5 years	16%	30%	25%
---	-----	-----	-----

## 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%	71%
Exactly \$102	9%	7%	7%
Less than \$102	5%	6%	6%
Don't know	11%	11%	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	9%	9%	8%
Exactly the same	8%	9%	10%
<u>Less than today</u> (correct answer)	63%	61%	58%
Don't know	19%	20%	22%

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

They will rise	16%	20%	18%
<u>They will fall</u> (correct answer)	29%	28%	29%
They will stay the same	7%	5%	6%
There is no relationship between bond prices and the interest rate	9%	9%	7%
Don't know	37%	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)	70%	75%	71%
False	10%	9%	10%
Don't know	19%	15%	18%

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

True	9%	9%	10%
<u>False</u> (correct answer)	46%	48%	47%
Don't know	44%	42%	42%

4 or 5 correct quiz answers

36% 39% 37%

3 or fewer correct quiz answers

64% 61% 63%

Mean number of correct quiz answers

2.82 2.88 2.77

Mean number of incorrect quiz answers

0.81 0.81 0.83

Mean number of "don't know" quiz answers

1.30 1.26 1.35

### Comparison Shopping

Compared credit cards

33% 33% 35%

Did not compare credit cards

59% 61% 58%

*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%	38%
Checked credit score in past year	40%	43%	41%

**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 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)