

Summary of Selected Findings: Rhode Island

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	11%	11%	11%	
Somewhat difficult	43%	39%	37%	
Not at all difficult	44%	48%	49%	
Spending vs. saving				
Spending less than income	37%	40%	43%	
Spending about equal to income	41%	38%	37%	
Spending more than income	18%	18%	16%	
Overdraw checking account occasionally	18%	19%	16%	Respondents with checking accounts
Have unpaid medical bills	17%	21%	16%	
Number of times mortgage payments have been late				
Once	11%	7%	5%	Respondents with mortgages
More than once	7%	9%	8%	
Have taken a loan from retirement account in past year	12%	13%	10%	Respondents with self-directed employer plan or non-employer plan
Have taken a hardship withdrawal from retirement account in past year	14%	10%	7%	
Have experienced large unexpected drop in income in past year	23%	22%	19%	
Planning Ahead				
Have emergency funds	48%	46%	48%	
Do not have emergency funds	48%	50%	47%	
Have tried to figure out retirement savings needs	41%	39%	39%	Non-retired respondents
Have not tried to figure out retirement savings needs	55%	56%	57%	
Have set aside money for children’s college education	46%	41%	43%	Respondents with financially dependent children
Have not set aside money for children’s college education	51%	56%	54%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension, 401(k))	59%	53%	57%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	30%	28%	31%	
Regularly contribute to self-directed retirement account	82%	79%	79%	Respondents with self-directed employer plan or non-employer plan

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Stocks, Bonds, and Mutual Funds

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

30%	30%	33%
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Managing Financial Products

Banking

Have checking account

92%	91%	93%
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Have savings account, money market account, or CDs

76%	75%	79%
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Credit Cards

Credit card behaviors in past year

Always paid credit cards in full

49%	52%	54%
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Carried over a balance and was charged interest

51%	47%	45%
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Paid the minimum payment only

33%	32%	29%
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Charged a late fee for late payment

13%	14%	12%
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Charged an over the limit fee for exceeding credit line

7%	8%	6%
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Used the cards for a cash advance

9%	11%	10%
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Respondents with credit cards

Other Payment Methods

Use reloadable prepaid debit cards

20%	24%	20%
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Use mobile payment methods

25%	22%	22%
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Mortgages

Have mortgage

61%	57%	61%
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Have home equity loan

23%	16%	20%
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Homeowners

Home "underwater" (negative equity)

10%	9%	9%
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Homeowners

Other Debt

Have student loan

28%	26%	27%
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Have auto loan

30%	30%	31%
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Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years

Auto title loan

6%	10%	7%
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Short term 'payday' loan

10%	12%	8%
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Pawn shop

14%	16%	12%
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Rent-to-own store

7%	10%	8%
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Used one or more non-bank borrowing methods in past 5 years

23%	26%	20%
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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)	81%	75%	77%
Exactly \$102	5%	8%	7%
Less than \$102	4%	5%	5%
Don't know	9%	12%	11%

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	11%	10%	9%
Exactly the same	10%	10%	10%
<u>Less than today</u> (correct answer)	60%	59%	61%
Don't know	17%	20%	19%

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

They will rise	20%	19%	17%
<u>They will fall</u> (correct answer)	29%	28%	31%
They will stay the same	6%	5%	5%
There is no relationship between bond prices and the interest rate	8%	9%	8%
Don't know	36%	38%	38%

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	4%	4%	2%
<u>At least 2 years but less than 5 years</u> (correct answer)	34%	33%	34%
At least 5 years but less than 10 years	29%	29%	28%
At least 10 years	7%	8%	9%
Don't know	24%	25%	25%

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)	78%	75%	78%
False	7%	8%	7%
Don't know	14%	16%	15%

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

True	6%	10%	7%
<u>False</u> (correct answer)	48%	46%	49%
Don't know	45%	44%	43%

Mean number of correct quiz answers	3.30	3.16	3.31
Mean number of incorrect quiz answers	1.18	1.25	1.14
Mean number of "don't know" quiz answers	1.45	1.54	1.50

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<i>Comparison Shopping</i>				
Compared credit cards	39%	35%	35%	<i>Respondents with credit cards</i>
Did not compare credit cards	55%	58%	58%	

Notes:

Region = New England Census Division (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont).

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 June - October 2015.

For additional findings and details, full survey results are available for download at http://usfinancialcapability.org/downloads/NFCS_2015_Full_Data_Tables.xls