

## Summary of Selected Findings: South Dakota

		State	Nation	Region	
Making Ends Meet					
Difficulty covering expenses and paying bills					
	Very difficult	7%	11%	9%	
	Somewhat difficult	39%	39%	38%	
	Not at all difficult	51%	48%	51%	
Spending vs. saving					
	Spending less than income	41%	40%	41%	
	Spending about equal to income	41%	38%	38%	
	Spending more than income	15%	18%	17%	
Overdraw checking account occasionally		14%	19%	16%	Respondents with checking accounts
Have unpaid medical bills		19%	21%	20%	
Number of times mortgage payments have been late					
	Once	7%	7%	6%	Respondents with mortgages
	More than once	6%	9%	7%	
Have taken a loan from retirement account in past year		13%	13%	10%	Respondents with self-directed employer plan or non-employer plan
Have taken a hardship withdrawal from retirement account in past year		7%	10%	6%	
Have experienced large unexpected drop in income in past year		17%	22%	19%	
Planning Ahead					
Have emergency funds		49%	46%	47%	
Do not have emergency funds		46%	50%	49%	
Have tried to figure out retirement savings needs		42%	39%	40%	Non-retired respondents
Have not tried to figure out retirement savings needs		55%	56%	56%	
Have set aside money for children’s college education		42%	41%	39%	Respondents with financially dependent children
Have not set aside money for children’s college education		56%	56%	58%	
Retirement Accounts					
Have employer-provided retirement plan (e.g., pension, 401(k))		64%	53%	55%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)		34%	28%	30%	
Regularly contribute to self-directed retirement account		80%	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

33%	30%	31%
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**Managing Financial Products**

*Banking*

Have checking account

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

79%	75%	76%
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*Credit Cards*

Credit card behaviors in past year

Always paid credit cards in full

61%	52%	55%
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Carried over a balance and was charged interest

39%	47%	45%
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Paid the minimum payment only

26%	32%	30%
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Charged a late fee for late payment

10%	14%	13%
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Charged an over the limit fee for exceeding credit line

5%	8%	6%
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Used the cards for a cash advance

8%	11%	9%
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*Respondents with credit cards*

*Other Payment Methods*

Use reloadable prepaid debit cards

16%	24%	20%
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Use mobile payment methods

12%	22%	19%
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*Mortgages*

Have mortgage

54%	57%	58%
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Have home equity loan

9%	16%	15%
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*Homeowners*

Home "underwater" (negative equity)

4%	9%	8%
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*Homeowners*

*Other Debt*

Have student loan

29%	26%	28%
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Have auto loan

37%	30%	34%
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*Non-Bank Borrowing*

Non-bank borrowing methods used in past 5 years

Auto title loan

10%	10%	10%
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Short term 'payday' loan

11%	12%	11%
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Pawn shop

20%	16%	15%
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Rent-to-own store

8%	10%	9%
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Used one or more non-bank borrowing methods in past 5 years

27%	26%	25%
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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)	84%	75%	80%
Exactly \$102	3%	8%	6%
Less than \$102	3%	5%	4%
Don't know	8%	12%	10%

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	10%	10%	9%
Exactly the same	5%	10%	8%
<u>Less than today</u> (correct answer)	66%	59%	64%
Don't know	16%	20%	18%

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

They will rise	20%	19%	19%
<u>They will fall</u> (correct answer)	31%	28%	29%
They will stay the same	5%	5%	4%
There is no relationship between bond prices and the interest rate	6%	9%	9%
Don't know	37%	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%	4%
<u>At least 2 years but less than 5 years</u> (correct answer)	39%	33%	36%
At least 5 years but less than 10 years	28%	29%	30%
At least 10 years	7%	8%	7%
Don't know	22%	25%	23%

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%	79%
False	8%	8%	6%
Don't know	14%	16%	14%

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

True	7%	10%	8%
<u>False</u> (correct answer)	52%	46%	51%
Don't know	41%	44%	40%

Mean number of correct quiz answers	3.50	3.16	3.39
Mean number of incorrect quiz answers	1.04	1.25	1.14
Mean number of "don't know" quiz answers	1.38	1.54	1.44



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<i>Comparison Shopping</i>				
Compared credit cards	35%	35%	31%	<i>Respondents with credit cards</i>
Did not compare credit cards	61%	58%	61%	

**Notes:**

Region = West North Central Census Division (Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota).

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](http://usfinancialcapability.org/downloads/NFCS_2015_Full_Data_Tables.xls)