

Summary of Selected Findings: District of Columbia

		D.C.	Nation	Region	
Making Ends Meet					
Difficulty covering expenses and paying bills					
	Very difficult	10%	12%	12%	
	Somewhat difficult	33%	35%	36%	
	Not at all difficult	56%	50%	49%	
Spending vs. saving					
	Spending less than income	46%	41%	41%	
	Spending about equal to income	29%	36%	37%	
	Spending more than income	22%	19%	18%	
Overdraw checking account occasionally		22%	19%	19%	Respondents with checking accounts
Have unpaid medical bills		14%	23%	24%	
Number of times mortgage payments have been late					
	Once	5%	9%	12%	Respondents with mortgages
	More than once	4%	9%	9%	
Have taken a loan from retirement account in past year		11%	16%	20%	Respondents with self-directed employer plan or non-employer plan
Have taken a hardship withdrawal from retirement account in past year		8%	13%	15%	
Have experienced large unexpected drop in income in past year		20%	20%	20%	
Planning Ahead					
Have emergency funds		55%	49%	49%	
Do not have emergency funds		42%	46%	47%	
Have tried to figure out retirement savings needs		46%	41%	41%	Non-retired respondents
Have not tried to figure out retirement savings needs		47%	54%	54%	
Have set aside money for children's college education		49%	38%	40%	Respondents with financially dependent children
Have not set aside money for children's college education		47%	57%	56%	
Retirement Accounts					
Have employer-provided retirement plan (e.g., pension, 401(k))		63%	54%	50%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)		35%	29%	28%	
Regularly contribute to self-directed retirement account		84%	79%	76%	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

41%	32%	30%
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Managing Financial Products

Banking

Have checking account

92%	89%	89%
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Have savings account, money market account, or CDs

79%	71%	71%
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Credit Cards

Credit card behaviors in past year

Always paid credit cards in full

55%	54%	52%
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Carried over a balance and was charged interest

43%	46%	49%
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Paid the minimum payment only

36%	35%	36%
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Charged a late fee for late payment

18%	16%	18%
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Charged an over the limit fee for exceeding credit line

11%	10%	11%
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Used the cards for a cash advance

15%	13%	13%
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Respondents with credit cards

Mobile Payment Methods

Use mobile phone to pay at point of sale

49%	35%	36%
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Use mobile phone to transfer money to another person

57%	37%	38%
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Mortgages

Have mortgage

69%	56%	55%
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Have home equity loan

19%	16%	16%
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Homeowners

Home “underwater” (negative equity)

6%	9%	10%
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Homeowners

Other Debt

Have student loan

34%	26%	24%
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Have auto loan

22%	33%	32%
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Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years

Auto title loan

9%	11%	13%
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Short term “payday” loan

12%	14%	14%
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Tax refund advance

9%	10%	11%
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Pawn shop

13%	18%	20%
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Rent-to-own store

7%	12%	14%
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Used one or more non-bank borrowing methods in past 5 years

23%	29%	30%
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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)	76%	72%	71%
Exactly \$102	8%	7%	9%
Less than \$102	4%	6%	6%
Don't know	11%	13%	13%

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	12%	12%	12%
Exactly the same	9%	10%	12%
<u>Less than today</u> (correct answer)	58%	55%	52%
Don't know	20%	21%	23%

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

They will rise	24%	22%	21%
<u>They will fall</u> (correct answer)	30%	26%	25%
They will stay the same	6%	6%	6%
There is no relationship between bond prices and the interest rate	6%	10%	11%
Don't know	32%	36%	35%

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	3%	5%	5%
<u>At least 2 years but less than 5 years</u> (correct answer)	35%	30%	27%
At least 5 years but less than 10 years	28%	29%	29%
At least 10 years	9%	8%	9%
Don't know	23%	26%	27%

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%	73%	71%
False	8%	9%	9%
Don't know	21%	17%	19%

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

True	9%	11%	12%
<u>False</u> (correct answer)	48%	43%	42%
Don't know	42%	45%	45%

Mean number of correct quiz answers	3.18	3.00	2.88
Mean number of incorrect quiz answers	1.23	1.35	1.42
Mean number of "don't know" quiz answers	1.50	1.58	1.63

Comparison Shopping

Compared credit cards

Did not compare credit cards

D.C. Nation Region

45%	38%	37%
50%	56%	56%

*Respondents with
credit cards*

Notes:

Region = South Atlantic Census Division (Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia).

D.C. 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 2018.

For additional findings and details, full survey results are available for download at
http://usfinancialcapability.org/downloads/NFCS_2018_Full_Data_Tables.xlsx