

Summary of Selected Findings: Louisiana

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	16%	12%	13%	
Somewhat difficult	37%	35%	36%	
Not at all difficult	44%	50%	47%	
Spending vs. saving				
Spending less than income	39%	41%	38%	
Spending about equal to income	34%	36%	36%	
Spending more than income	21%	19%	21%	
Overdraw checking account occasionally	26%	19%	19%	<i>Respondents with checking accounts</i>
Have unpaid medical bills	28%	23%	29%	
Number of times mortgage payments have been late				
Once	9%	9%	9%	<i>Respondents with mortgages</i>
More than once	19%	9%	13%	
Have taken a loan from retirement account in past year	27%	16%	22%	<i>Respondents with self-directed employer plan or non-employer plan</i>
Have taken a hardship withdrawal from retirement account in past year	22%	13%	18%	
Have experienced large unexpected drop in income in past year	26%	20%	25%	
Planning Ahead				
Have emergency funds	47%	49%	46%	
Do not have emergency funds	48%	46%	49%	
Have tried to figure out retirement savings needs	43%	41%	38%	<i>Non-retired respondents</i>
Have not tried to figure out retirement savings needs	52%	54%	56%	
Have set aside money for children's college education	41%	38%	36%	<i>Respondents with financially dependent children</i>
Have not set aside money for children's college education	57%	57%	60%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension, 401(k))	51%	54%	50%	<i>Non-retired respondents</i>
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	26%	29%	24%	
Regularly contribute to self-directed retirement account	82%	79%	82%	<i>Respondents with self-directed employer plan or non-employer plan</i>

	State	Nation	Region
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Stocks, Bonds, and Mutual Funds

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

32%	32%	29%
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Managing Financial Products

Banking

Have checking account

87%	89%	85%
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Have savings account, money market account, or CDs

66%	71%	66%
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Credit Cards

Credit card behaviors in past year

Always paid credit cards in full

50%	54%	51%
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Carried over a balance and was charged interest

56%	46%	49%
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Paid the minimum payment only

44%	35%	39%
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Charged a late fee for late payment

23%	16%	17%
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Charged an over the limit fee for exceeding credit line

18%	10%	13%
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Used the cards for a cash advance

20%	13%	13%
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Respondents with credit cards

Mobile Payment Methods

Use mobile phone to pay at point of sale

41%	35%	40%
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Use mobile phone to transfer money to another person

39%	37%	40%
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Mortgages

Have mortgage

48%	56%	51%
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Have home equity loan

16%	16%	12%
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Homeowners

Home "underwater" (negative equity)

14%	9%	9%
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Homeowners

Other Debt

Have student loan

29%	26%	27%
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Have auto loan

40%	33%	35%
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Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years

Auto title loan

17%	11%	15%
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Short term "payday" loan

21%	14%	19%
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Tax refund advance

14%	10%	13%
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Pawn shop

27%	18%	29%
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Rent-to-own store

19%	12%	18%
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Used one or more non-bank borrowing methods in past 5 years

41%	29%	40%
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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)	70%	72%	69%
Exactly \$102	7%	7%	8%
Less than \$102	9%	6%	7%
Don't know	14%	13%	15%

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	13%	12%	13%
Exactly the same	12%	10%	12%
<u>Less than today</u> (correct answer)	50%	55%	51%
Don't know	24%	21%	23%

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

They will rise	25%	22%	23%
<u>They will fall</u> (correct answer)	20%	26%	26%
They will stay the same	5%	6%	6%
There is no relationship between bond prices and the interest rate	11%	10%	11%
Don't know	37%	36%	34%

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	8%	5%	6%
<u>At least 2 years but less than 5 years</u> (correct answer)	29%	30%	31%
At least 5 years but less than 10 years	26%	29%	27%
At least 10 years	8%	8%	7%
Don't know	28%	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%	70%
False	10%	9%	10%
Don't know	17%	17%	19%

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

True	13%	11%	12%
<u>False</u> (correct answer)	40%	43%	41%
Don't know	46%	45%	45%

Mean number of correct quiz answers	2.80	3.00	2.88
Mean number of incorrect quiz answers	1.47	1.35	1.43
Mean number of "don't know" quiz answers	1.66	1.58	1.64

<i>Comparison Shopping</i>	State	Nation	Region	
Compared credit cards	40%	38%	36%	<i>Respondents with credit cards</i>
Did not compare credit cards	53%	56%	57%	

Notes:

Region = West South Central Census Division (Arkansas, Louisiana, Oklahoma, Texas).

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 2018.

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