

Summary of Selected Findings: Maryland

		State	Nation	Region	
Making Ends Meet					
Difficulty covering expenses and paying bills					
Very difficult		9%	12%	12%	
Somewhat difficult		34%	35%	36%	
Not at all difficult		55%	50%	49%	
Spending vs. saving					
Spending less than income		42%	41%	41%	
Spending about equal to income		36%	36%	37%	
Spending more than income		20%	19%	18%	
Overdraw checking account occasionally		19%	19%	19%	Respondents with checking accounts
Have unpaid medical bills		19%	23%	24%	
Number of times mortgage payments have been late					
Once		9%	9%	12%	Respondents with mortgages
More than once		9%	9%	9%	
Have taken a loan from retirement account in past year		16%	16%	20%	Respondents with self-directed employer plan or non-employer plan
Have taken a hardship withdrawal from retirement account in past year		12%	13%	15%	
Have experienced large unexpected drop in income in past year		16%	20%	20%	
Planning Ahead					
Have emergency funds		50%	49%	49%	
Do not have emergency funds		45%	46%	47%	
Have tried to figure out retirement savings needs		44%	41%	41%	Non-retired respondents
Have not tried to figure out retirement savings needs		51%	54%	54%	
Have set aside money for children's college education		47%	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))		59%	54%	50%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)		31%	29%	28%	
Regularly contribute to self-directed retirement account		82%	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	31%	32%	30%
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Managing Financial Products

Banking

Have checking account	89%	89%	89%
Have savings account, money market account, or CDs	76%	71%	71%

Credit Cards

Credit card behaviors in past year			
Always paid credit cards in full	53%	54%	52%
Carried over a balance and was charged interest	48%	46%	49%
Paid the minimum payment only	33%	35%	36%
Charged a late fee for late payment	17%	16%	18%
Charged an over the limit fee for exceeding credit line	12%	10%	11%
Used the cards for a cash advance	11%	13%	13%

Respondents with credit cards

Mobile Payment Methods

Use mobile phone to pay at point of sale	38%	35%	36%
Use mobile phone to transfer money to another person	38%	37%	38%

Mortgages

Have mortgage	67%	56%	55%
Have home equity loan	20%	16%	16%

Homeowners

Home “underwater” (negative equity)	11%	9%	10%
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Homeowners

Other Debt

Have student loan	27%	26%	24%
Have auto loan	37%	33%	32%

Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years			
Auto title loan	11%	11%	13%
Short term “payday” loan	14%	14%	14%
Tax refund advance	10%	10%	11%
Pawn shop	18%	18%	20%
Rent-to-own store	12%	12%	14%
Used one or more non-bank borrowing methods in past 5 years	28%	29%	30%

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%	71%
Exactly \$102	10%	7%	9%
Less than \$102	5%	6%	6%
Don't know	13%	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	14%	12%	12%
Exactly the same	11%	10%	12%
<u>Less than today</u> (correct answer)	56%	55%	52%
Don't know	17%	21%	23%

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

They will rise	20%	22%	21%
<u>They will fall</u> (correct answer)	26%	26%	25%
They will stay the same	7%	6%	6%
There is no relationship between bond prices and the interest rate	12%	10%	11%
Don't know	33%	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	4%	5%	5%
<u>At least 2 years but less than 5 years</u> (correct answer)	30%	30%	27%
At least 5 years but less than 10 years	31%	29%	29%
At least 10 years	10%	8%	9%
Don't know	24%	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)	70%	73%	71%
False	10%	9%	9%
Don't know	19%	17%	19%

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

True	12%	11%	12%
<u>False</u> (correct answer)	44%	43%	42%
Don't know	44%	45%	45%

Mean number of correct quiz answers	2.96	3.00	2.88
Mean number of incorrect quiz answers	1.45	1.35	1.42
Mean number of "don't know" quiz answers	1.50	1.58	1.63

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<i>Comparison Shopping</i>				
Compared credit cards	39%	38%	37%	<i>Respondents with credit cards</i>
Did not compare credit cards	53%	56%	56%	

Notes:

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

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