

Summary of Selected Findings: North Dakota

		State	Nation	Region	
Making Ends Meet					
Difficulty covering expenses and paying bills					
Very difficult		6%	12%	11%	
Somewhat difficult		32%	35%	33%	
Not at all difficult		60%	50%	54%	
Spending vs. saving					
Spending less than income		48%	41%	41%	
Spending about equal to income		32%	36%	36%	
Spending more than income		17%	19%	18%	
Overdraw checking account occasionally		16%	19%	18%	Respondents with checking accounts
Have unpaid medical bills		20%	23%	23%	
Number of times mortgage payments have been late					
Once		6%	9%	9%	Respondents with mortgages
More than once		8%	9%	7%	
Have taken a loan from retirement account in past year		12%	16%	15%	Respondents with self-directed employer plan or non-employer plan
Have taken a hardship withdrawal from retirement account in past year		13%	13%	10%	
Have experienced large unexpected drop in income in past year		18%	20%	20%	
Planning Ahead					
Have emergency funds		51%	49%	49%	
Do not have emergency funds		46%	46%	47%	
Have tried to figure out retirement savings needs		44%	41%	42%	Non-retired respondents
Have not tried to figure out retirement savings needs		54%	54%	53%	
Have set aside money for children's college education		40%	38%	36%	Respondents with financially dependent children
Have not set aside money for children's college education		54%	57%	59%	
Retirement Accounts					
Have employer-provided retirement plan (e.g., pension, 401(k))		65%	54%	58%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)		31%	29%	31%	
Regularly contribute to self-directed retirement account		81%	79%	81%	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	35%	32%	33%
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Managing Financial Products

Banking

Have checking account	91%	89%	90%
Have savings account, money market account, or CDs	77%	71%	74%

Credit Cards

Credit card behaviors in past year			
Always paid credit cards in full	59%	54%	55%
Carried over a balance and was charged interest	42%	46%	45%
Paid the minimum payment only	34%	35%	33%
Charged a late fee for late payment	14%	16%	14%
Charged an over the limit fee for exceeding credit line	8%	10%	9%
Used the cards for a cash advance	8%	13%	11%

Respondents with credit cards

Mobile Payment Methods

Use mobile phone to pay at point of sale	29%	35%	31%
Use mobile phone to transfer money to another person	33%	37%	31%

Mortgages

Have mortgage	54%	56%	57%
Have home equity loan	14%	16%	14%

Homeowners

Home "underwater" (negative equity)	7%	9%	8%
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Homeowners

Other Debt

Have student loan	31%	26%	28%
Have auto loan	38%	33%	34%

Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years			
Auto title loan	11%	11%	11%
Short term "payday" loan	12%	14%	13%
Tax refund advance	8%	10%	9%
Pawn shop	18%	18%	18%
Rent-to-own store	10%	12%	10%
Used one or more non-bank borrowing methods in past 5 years	27%	29%	28%

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%	75%
Exactly \$102	8%	7%	7%
Less than \$102	6%	6%	5%
Don't know	11%	13%	12%

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%	11%
Exactly the same	7%	10%	9%
<u>Less than today</u> (correct answer)	61%	55%	59%
Don't know	17%	21%	20%

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

They will rise	22%	22%	22%
<u>They will fall</u> (correct answer)	30%	26%	27%
They will stay the same	3%	6%	4%
There is no relationship between bond prices and the interest rate	6%	10%	10%
Don't know	37%	36%	37%

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)	34%	30%	31%
At least 5 years but less than 10 years	27%	29%	30%
At least 10 years	9%	8%	8%
Don't know	25%	26%	26%

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)	79%	73%	78%
False	10%	9%	6%
Don't know	11%	17%	16%

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

True	8%	11%	10%
<u>False</u> (correct answer)	49%	43%	48%
Don't know	42%	45%	42%

Mean number of correct quiz answers	3.29	3.00	3.17
Mean number of incorrect quiz answers	1.23	1.35	1.26
Mean number of "don't know" quiz answers	1.43	1.58	1.51

<i>Comparison Shopping</i>	State	Nation	Region	
Compared credit cards	34%	38%	35%	<i>Respondents with credit cards</i>
Did not compare credit cards	60%	56%	58%	

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 2018.

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