

## Summary of Selected Findings: Pennsylvania

	State	Nation	Region	
<b>Making Ends Meet</b>				
Difficulty covering expenses and paying bills				
Very difficult	11%	12%	12%	
Somewhat difficult	35%	35%	36%	
Not at all difficult	49%	50%	48%	
Spending vs. saving				
Spending less than income	36%	41%	40%	
Spending about equal to income	40%	36%	37%	
Spending more than income	19%	19%	18%	
Overdraw checking account occasionally	17%	19%	19%	<i>Respondents with checking accounts</i>
Have unpaid medical bills	21%	23%	18%	
Number of times mortgage payments have been late				
Once	9%	9%	10%	<i>Respondents with mortgages</i>
More than once	8%	9%	11%	
Have taken a loan from retirement account in past year	15%	16%	17%	<i>Respondents with self-directed employer plan or non-employer plan</i>
Have taken a hardship withdrawal from retirement account in past year	15%	13%	16%	
Have experienced large unexpected drop in income in past year	16%	20%	20%	
<b>Planning Ahead</b>				
Have emergency funds	47%	49%	50%	
Do not have emergency funds	47%	46%	44%	
Have tried to figure out retirement savings needs	36%	41%	41%	<i>Non-retired respondents</i>
Have not tried to figure out retirement savings needs	56%	54%	52%	
Have set aside money for children's college education	40%	38%	42%	<i>Respondents with financially dependent children</i>
Have not set aside money for children's college education	57%	57%	53%	
<b>Retirement Accounts</b>				
Have employer-provided retirement plan (e.g., pension, 401(k))	52%	54%	52%	<i>Non-retired respondents</i>
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	29%	29%	31%	
Regularly contribute to self-directed retirement account	75%	79%	76%	<i>Respondents with self-directed employer plan or non-employer plan</i>

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*Stocks, Bonds, and Mutual Funds*

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

29%	32%	33%
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**Managing Financial Products**

*Banking*

Have checking account

88%	89%	88%
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Have savings account, money market account, or CDs

68%	71%	70%
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*Credit Cards*

Credit card behaviors in past year

Always paid credit cards in full

54%	54%	57%
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Carried over a balance and was charged interest

42%	46%	43%
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Paid the minimum payment only

38%	35%	32%
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Charged a late fee for late payment

15%	16%	15%
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Charged an over the limit fee for exceeding credit line

8%	10%	9%
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Used the cards for a cash advance

13%	13%	13%
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*Respondents with credit cards*

*Mobile Payment Methods*

Use mobile phone to pay at point of sale

30%	35%	36%
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Use mobile phone to transfer money to another person

28%	37%	36%
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*Mortgages*

Have mortgage

52%	56%	49%
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Have home equity loan

22%	16%	21%
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*Homeowners*

Home "underwater" (negative equity)

8%	9%	10%
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*Homeowners*

*Other Debt*

Have student loan

24%	26%	25%
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Have auto loan

35%	33%	27%
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*Non-Bank Borrowing*

Non-bank borrowing methods used in past 5 years

Auto title loan

9%	11%	10%
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Short term "payday" loan

9%	14%	11%
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Tax refund advance

9%	10%	11%
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Pawn shop

10%	18%	14%
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Rent-to-own store

11%	12%	11%
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Used one or more non-bank borrowing methods in past 5 years

21%	29%	23%
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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)	73%	72%	70%
Exactly \$102	6%	7%	7%
Less than \$102	6%	6%	6%
Don't know	13%	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	10%	12%	11%
Exactly the same	10%	10%	11%
<u>Less than today</u> (correct answer)	55%	55%	55%
Don't know	24%	21%	21%

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

They will rise	18%	22%	19%
<u>They will fall</u> (correct answer)	29%	26%	30%
They will stay the same	8%	6%	6%
There is no relationship between bond prices and the interest rate	9%	10%	9%
Don't know	35%	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	5%	5%	5%
<u>At least 2 years but less than 5 years</u> (correct answer)	29%	30%	29%
At least 5 years but less than 10 years	26%	29%	26%
At least 10 years	9%	8%	10%
Don't know	29%	26%	28%

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)	69%	73%	69%
False	11%	9%	11%
Don't know	18%	17%	19%

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

True	10%	11%	11%
<u>False</u> (correct answer)	40%	43%	42%
Don't know	48%	45%	46%

Mean number of correct quiz answers	2.95	3.00	2.95
Mean number of incorrect quiz answers	1.27	1.35	1.33
Mean number of "don't know" quiz answers	1.67	1.58	1.64

<i>Comparison Shopping</i>	State	Nation	Region	
Compared credit cards	35%	38%	39%	<i>Respondents with credit cards</i>
Did not compare credit cards	58%	56%	54%	

**Notes:**

Region = Middle Atlantic Census Division (New Jersey, New York, Pennsylvania).

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](http://usfinancialcapability.org/downloads/NFCS_2018_Full_Data_Tables.xlsx)