

## Summary of Selected Findings: Arkansas

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	14%	10%	12%	
Somewhat difficult	37%	33%	34%	
Not at all difficult	45%	54%	52%	
Spending vs. saving				
Spending less than income	38%	43%	40%	
Spending about equal to income	38%	34%	35%	
Spending more than income	20%	19%	21%	
Overdraw checking account occasionally	24%	21%	25%	Respondents with checking accounts
Have unpaid medical bills	30%	22%	27%	
Number of times mortgage payments have been late				
Once	8%	8%	12%	Respondents with mortgages
More than once	9%	9%	14%	
Have taken a loan from retirement account in past year	15%	14%	23%	Respondents with defined contribution retirement accounts
Have taken a hardship withdrawal from retirement account in past year	16%	14%	19%	
Have experienced large unexpected drop in income in past year	27%	26%	28%	
Planning Ahead				
Have emergency funds	43%	53%	52%	
Do not have emergency funds	52%	43%	44%	
Have tried to figure out retirement savings needs	34%	39%	36%	Non-retired respondents
Have not tried to figure out retirement savings needs	59%	55%	57%	
Have set aside money for children’s college education	28%	40%	43%	Respondents with financially dependent children
Have not set aside money for children’s college education	69%	54%	53%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension, 401(k))	38%	49%	46%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	17%	26%	24%	
Regularly contribute to retirement account	77%	79%	80%	Respondents with defined contribution retirement accounts

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*Stocks, Bonds, and Mutual Funds*

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

28%	35%	29%
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**Managing Financial Products**

*Banking*

Have checking account

86%	91%	91%
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Have savings account, money market account, or CDs

57%	72%	68%
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*Credit Cards*

Credit card behaviors in past year

Always paid credit cards in full

50%	59%	57%
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Carried over a balance and was charged interest

48%	43%	48%
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Paid the minimum payment only

41%	35%	41%
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Charged a late fee for late payment

19%	17%	19%
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Charged an over the limit fee for exceeding credit line

13%	11%	14%
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Used the cards for a cash advance

18%	15%	19%
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*Respondents with credit cards*

*Mobile Payment Methods*

Use mobile phone to pay at point of sale

45%	43%	46%
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Use mobile phone to transfer money to another person

53%	53%	59%
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*Mortgages*

Have mortgage

48%	51%	47%
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Have home equity loan

6%	12%	12%
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*Homeowners*

Home "underwater" (negative equity)

5%	7%	11%
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*Homeowners*

*Other Debt*

Have student loan

23%	23%	26%
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Have auto loan

30%	29%	32%
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*Non-Bank Borrowing*

Non-bank borrowing methods used in past 5 years

Auto title loan

12%	12%	17%
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Short term "payday" loan

14%	15%	22%
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Tax refund advance

14%	11%	17%
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Pawn shop

30%	21%	28%
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Rent-to-own store

20%	14%	19%
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Used one or more non-bank borrowing methods in past 5 years

42%	32%	41%
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## Financial Knowledge

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)	64%	69%	67%
Exactly \$102	10%	9%	9%
Less than \$102	5%	6%	6%
Don't know	20%	15%	17%

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%	11%
Exactly the same	11%	11%	12%
<u>Less than today</u> (correct answer)	47%	53%	48%
Don't know	28%	23%	26%

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

They will rise	20%	20%	22%
<u>They will fall</u> (correct answer)	21%	25%	22%
They will stay the same	6%	6%	7%
There is no relationship between bond prices and the interest rate	10%	9%	9%
Don't know	43%	39%	39%

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%	6%
<u>At least 2 years but less than 5 years</u> (correct answer)	27%	30%	29%
At least 5 years but less than 10 years	25%	28%	27%
At least 10 years	7%	7%	7%
Don't know	34%	28%	30%

Which of the following indicates the highest probability of getting a particular disease?

<u>There is a one-in-twenty chance of getting the disease</u> (correct answer)	34%	36%	32%
2% of the population will get the disease	11%	13%	14%
25 out of every 1,000 people will get the disease	18%	17%	20%
Don't know	35%	33%	32%

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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)	66%	69%	65%
False	8%	9%	8%
Don't know	26%	22%	25%
Buying a single company's stock usually provides a safer return than a stock mutual fund.			
True	12%	12%	18%
<u>False</u> (correct answer)	34%	42%	36%
Don't know	53%	45%	46%
Mean number of correct quiz answers	2.94	3.23	2.99
Mean number of incorrect quiz answers	1.62	1.63	1.78
Mean number of "don't know" quiz answers	2.38	2.06	2.15

#### 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 2021.

Additional findings and details are available for download at [www.FINRAFoundation.org/NFCS](http://www.FINRAFoundation.org/NFCS).