

Summary of Selected Findings: Kentucky

		State	Nation	Region	
Making Ends Meet					
Difficulty covering expenses and paying bills					
Very difficult		13%	10%	15%	
Somewhat difficult		35%	33%	35%	
Not at all difficult		51%	54%	48%	
Spending vs. saving					
Spending less than income		39%	43%	38%	
Spending about equal to income		35%	34%	36%	
Spending more than income		22%	19%	21%	
Overdraw checking account occasionally		21%	21%	23%	Respondents with checking accounts
Have unpaid medical bills		26%	22%	28%	
Number of times mortgage payments have been late					
Once		9%	8%	9%	Respondents with mortgages
More than once		7%	9%	11%	
Have taken a loan from retirement account in past year		12%	14%	18%	Respondents with defined contribution retirement accounts
Have taken a hardship withdrawal from retirement account in past year		15%	14%	18%	
Have experienced large unexpected drop in income in past year		26%	26%	27%	
Planning Ahead					
Have emergency funds		48%	53%	47%	
Do not have emergency funds		49%	43%	48%	
Have tried to figure out retirement savings needs		35%	39%	36%	Non-retired respondents
Have not tried to figure out retirement savings needs		61%	55%	59%	
Have set aside money for children’s college education		39%	40%	38%	Respondents with financially dependent children
Have not set aside money for children’s college education		60%	54%	58%	
Retirement Accounts					
Have employer-provided retirement plan (e.g., pension, 401(k))		48%	49%	42%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)		19%	26%	19%	
Regularly contribute to retirement account		81%	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

30%	35%	30%
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Managing Financial Products

Banking

Have checking account

87%	91%	87%
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Have savings account, money market account, or CDs

60%	72%	64%
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Credit Cards

Credit card behaviors in past year

Always paid credit cards in full

53%	59%	56%
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Carried over a balance and was charged interest

45%	43%	44%
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Paid the minimum payment only

37%	35%	39%
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Charged a late fee for late payment

19%	17%	21%
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Charged an over the limit fee for exceeding credit line

13%	11%	12%
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Used the cards for a cash advance

14%	15%	17%
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Respondents with credit cards

Mobile Payment Methods

Use mobile phone to pay at point of sale

38%	43%	42%
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Use mobile phone to transfer money to another person

46%	53%	50%
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Mortgages

Have mortgage

49%	51%	46%
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Have home equity loan

9%	12%	10%
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Homeowners

Home “underwater” (negative equity)

5%	7%	7%
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Homeowners

Other Debt

Have student loan

21%	23%	21%
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Have auto loan

28%	29%	31%
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Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years

Auto title loan

13%	12%	16%
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Short term “payday” loan

20%	15%	22%
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Tax refund advance

13%	11%	14%
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Pawn shop

25%	21%	26%
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Rent-to-own store

17%	14%	19%
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Used one or more non-bank borrowing methods in past 5 years

39%	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)	68%	69%	65%
Exactly \$102	9%	9%	9%
Less than \$102	6%	6%	7%
Don't know	16%	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%	13%
Exactly the same	10%	11%	12%
<u>Less than today</u> (correct answer)	53%	53%	48%
Don't know	23%	23%	25%

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

They will rise	19%	20%	20%
<u>They will fall</u> (correct answer)	24%	25%	24%
They will stay the same	6%	6%	7%
There is no relationship between bond prices and the interest rate	11%	9%	11%
Don't know	41%	39%	38%

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	3%	5%	7%
<u>At least 2 years but less than 5 years</u> (correct answer)	28%	30%	29%
At least 5 years but less than 10 years	30%	28%	27%
At least 10 years	6%	7%	7%
Don't know	32%	28%	29%

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)	37%	36%	34%
2% of the population will get the disease	13%	13%	14%
25 out of every 1,000 people will get the disease	18%	17%	17%
Don't know	32%	33%	34%

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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)	73%	69%	69%
False	8%	9%	9%
Don't know	19%	22%	21%
Buying a single company's stock usually provides a safer return than a stock mutual fund.			
True	14%	12%	14%
<u>False</u> (correct answer)	37%	42%	39%
Don't know	50%	45%	46%
Mean number of correct quiz answers	3.20	3.23	3.09
Mean number of incorrect quiz answers	1.64	1.63	1.75
Mean number of "don't know" quiz answers	2.14	2.06	2.09

Notes:

Region = East South Central Census Division (Alabama, Kentucky, Mississippi, Tennessee).

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.