

## Summary of Selected Findings: Tennessee

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	15%	10%	15%	
Somewhat difficult	35%	33%	35%	
Not at all difficult	48%	54%	48%	
Spending vs. saving				
Spending less than income	37%	43%	38%	
Spending about equal to income	38%	34%	36%	
Spending more than income	20%	19%	21%	
Overdraw checking account occasionally	23%	21%	23%	Respondents with checking accounts
Have unpaid medical bills	25%	22%	28%	
Number of times mortgage payments have been late				
Once	7%	8%	9%	Respondents with mortgages
More than once	10%	9%	11%	
Have taken a loan from retirement account in past year	19%	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	25%	26%	27%	
Planning Ahead				
Have emergency funds	46%	53%	47%	
Do not have emergency funds	47%	43%	48%	
Have tried to figure out retirement savings needs	36%	39%	36%	Non-retired respondents
Have not tried to figure out retirement savings needs	58%	55%	59%	
Have set aside money for children’s college education	40%	40%	38%	Respondents with financially dependent children
Have not set aside money for children’s college education	56%	54%	58%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension, 401(k))	44%	49%	42%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	19%	26%	19%	
Regularly contribute to retirement account	80%	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

90%	91%	87%
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Have savings account, money market account, or CDs

63%	72%	64%
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*Credit Cards*

Credit card behaviors in past year

Always paid credit cards in full

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

40%	43%	44%
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Paid the minimum payment only

39%	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

9%	11%	12%
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Used the cards for a cash advance

16%	15%	17%
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*Respondents with credit cards*

*Mobile Payment Methods*

Use mobile phone to pay at point of sale

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

50%	53%	50%
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*Mortgages*

Have mortgage

45%	51%	46%
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Have home equity loan

9%	12%	10%
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*Homeowners*

Home “underwater” (negative equity)

8%	7%	7%
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*Homeowners*

*Other Debt*

Have student loan

18%	23%	21%
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Have auto loan

31%	29%	31%
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*Non-Bank Borrowing*

Non-bank borrowing methods used in past 5 years

Auto title loan

16%	12%	16%
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Short term “payday” loan

20%	15%	22%
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Tax refund advance

14%	11%	14%
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Pawn shop

24%	21%	26%
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Rent-to-own store

18%	14%	19%
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Used one or more non-bank borrowing methods in past 5 years

38%	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)	66%	69%	65%
Exactly \$102	8%	9%	9%
Less than \$102	7%	6%	7%
Don't know	18%	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	14%	12%	13%
Exactly the same	13%	11%	12%
<u>Less than today</u> (correct answer)	46%	53%	48%
Don't know	26%	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	8%	6%	7%
There is no relationship between bond prices and the interest rate	10%	9%	11%
Don't know	38%	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	9%	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	27%	28%	27%
At least 10 years	8%	7%	7%
Don't know	28%	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)	35%	36%	34%
2% of the population will get the disease	15%	13%	14%
25 out of every 1,000 people will get the disease	16%	17%	17%
Don't know	33%	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)	71%	69%	69%
False	9%	9%	9%
Don't know	20%	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)	41%	42%	39%
Don't know	44%	45%	46%
Mean number of correct quiz answers	3.11	3.23	3.09
Mean number of incorrect quiz answers	1.75	1.63	1.75
Mean number of "don't know" quiz answers	2.07	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](http://www.FINRAFoundation.org/NFCS).