Country Financial Security Index Report, February 2023
Conducted by Ipsos using the probability-based KnowledgePanel®
A survey of the American general population (ages 18+)

Interview dates: February 3 - 5, 2023
Number of interviews, adults: 1,029

Margin of error for the total sample: +/- 3.3 percentage points at the 95% confidence level

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Americans are less likely to feel financially secure in early 2023

In early 2023, Americans are less likely to feel financially secure than at the end of 2022; a drop of four percent to 55 percent of Americans rating their financial health as good or excellent. This is more in line with early 2022 (56%). However, the fluctuation in financial security is seen only at the 'good' level. The number of Americans rating their financial security as 'excellent' has remained stable at about 15% since the end of 2020. Americans have also slightly regressed in their optimism for their retirement with a 3% drop number of Americans that say they are likely to have enough money to enjoy a comfortable retirement in October 2022.

Americans are feeling the impact of inflation

Seven in ten Americans indicate that inflation has negatively impacted their financial situation a great deal or somewhat (69%). Further, two in five Americans say inflation is impacting their financial situation a great deal (42%). inflation has not impacted all Americans equally. Nearly half of Latinx Americans report that inflation has impacted them "a great deal" (49%). While Black Americans were the least likely to say inflation has impacted their finances; 13 percent report it has not impacted them at all.

Increasing interest rates are also having an impact on Americans. Two in five Americans say that increasing interest rates have negatively affected their finances a great deal or somewhat (42%). Black and Latinx respondents are more likely to say these increases have affected them "a great deal" (29% and 25%, respectively).
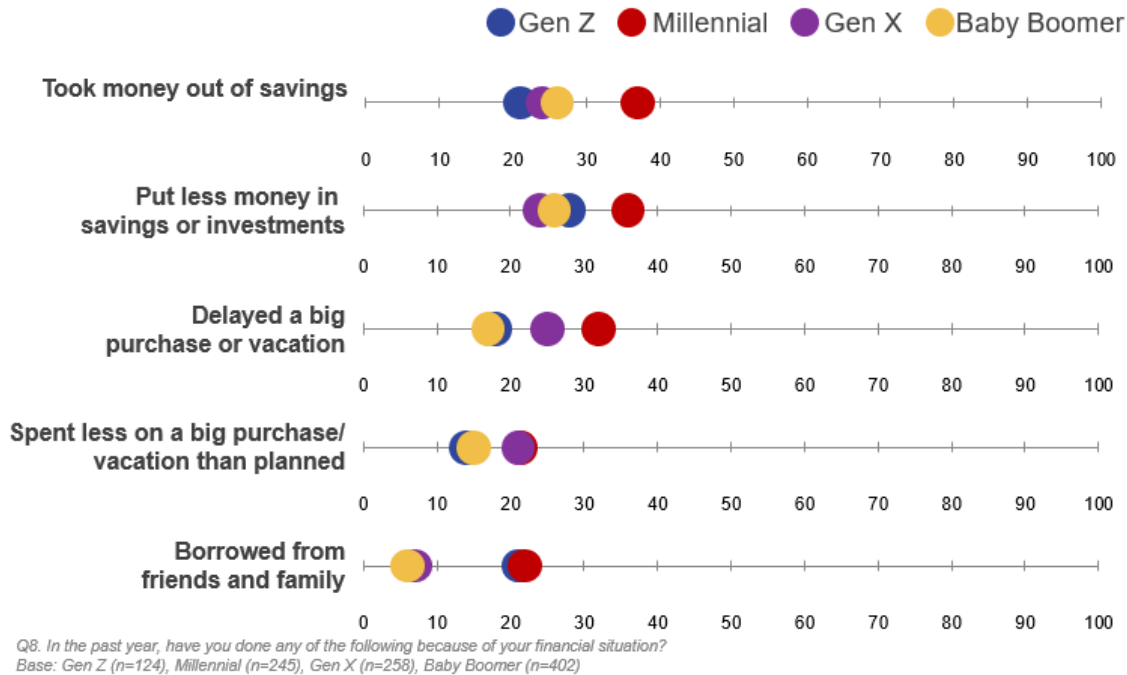
A few other economic issues impacting Americans include:

- stock market volatility (41% a great deal/somewhat),
- debt (30% a great deal/somewhat), and
- severe weather events (18% a great deal/somewhat).

Americans are dipping into their savings to cover normal expenses such as groceries and rent

In the past year, two in three Americans have had to take steps to make ends meet. The most frequent actions include putting less money into savings or investments (28%), taking money out of savings (27%), or delaying a big purchase or vacation (23%). About one in five Americans say they have taken on more credit card debt (19%) or spent less on a big purchase or vacation than they planned (18%). While one in ten Americans borrowed money from their friends and family (12%) and fewer have started a second job or increased their work hours (7%), started a new job at a higher salary (7%), borrowed money from a bank (6%), or delayed their retirement (3%).

Millennials seem to be feeling the squeeze on their finances more acutely and are taking more action to save or obtain more money. Millennials are more likely to have taken money out of their savings, put less money in their savings or investments, or delayed a major purchase or vacation. Both Gen Z and Millennials are more likely to have borrowed money from friends and family than Gen X or Baby Boomers.

Legend: Gen Z · Millennial · Gen X · Baby Boomer

Took money out of savings

| 0 | 10 | 20 | 30 | 40 | 50 | 60 | 70 | 80 | 90 | 100 |

Put less money in savings or investments

| 0 | 10 | 20 | 30 | 40 | 50 | 60 | 70 | 80 | 90 | 100 |

Delayed a big purchase or vacation

| 0 | 10 | 20 | 30 | 40 | 50 | 60 | 70 | 80 | 90 | 100 |

Spent less on a big purchase/ vacation than planned

| 0 | 10 | 20 | 30 | 40 | 50 | 60 | 70 | 80 | 90 | 100 |

Borrowed from friends and family

| 0 | 10 | 20 | 30 | 40 | 50 | 60 | 70 | 80 | 90 | 100 |

Q8. In the past year, have you done any of the following because of your financial situation?
Base: Gen Z (n=124), Millennial (n=245), Gen X (n=258), Baby Boomer (n=402)

Americans who do not have a financial advisor are more likely to dip into their savings (29%) or borrow from friends and family (14%) than those with a financial advisor (22% and 4%, respectively).

Among those who have had to take some action to obtain or save money in the past year, more than half say they utilized this money to cover everyday expenses such as rent, monthly bills, and groceries (54%). About three in ten Americans used the money they saved or obtained for an unexpected expense (35%) or to pay down debt (31%), while one in five used it to make a planned, major purchase (19%) or to pay for home or car repairs (17%).

Younger generations are more likely to need this money for everyday expenses (Millennials 61% and Gen Z 63%) than older generations (Gen X 50% and Baby Boomers 48%).

Credit card debt has the most impact on those with any debt

Most Americans say they have a manageable amount of debt (39%) or no debt at all (26%). However, not everyone is in the same situation. About two in five Americans say they have too much debt but it is still under control, while about one in ten say they have too much and are actively looking for ways to reduce it. Additionally, about one in twenty Americans feel like their debt level is 'completely out of control' (5%).
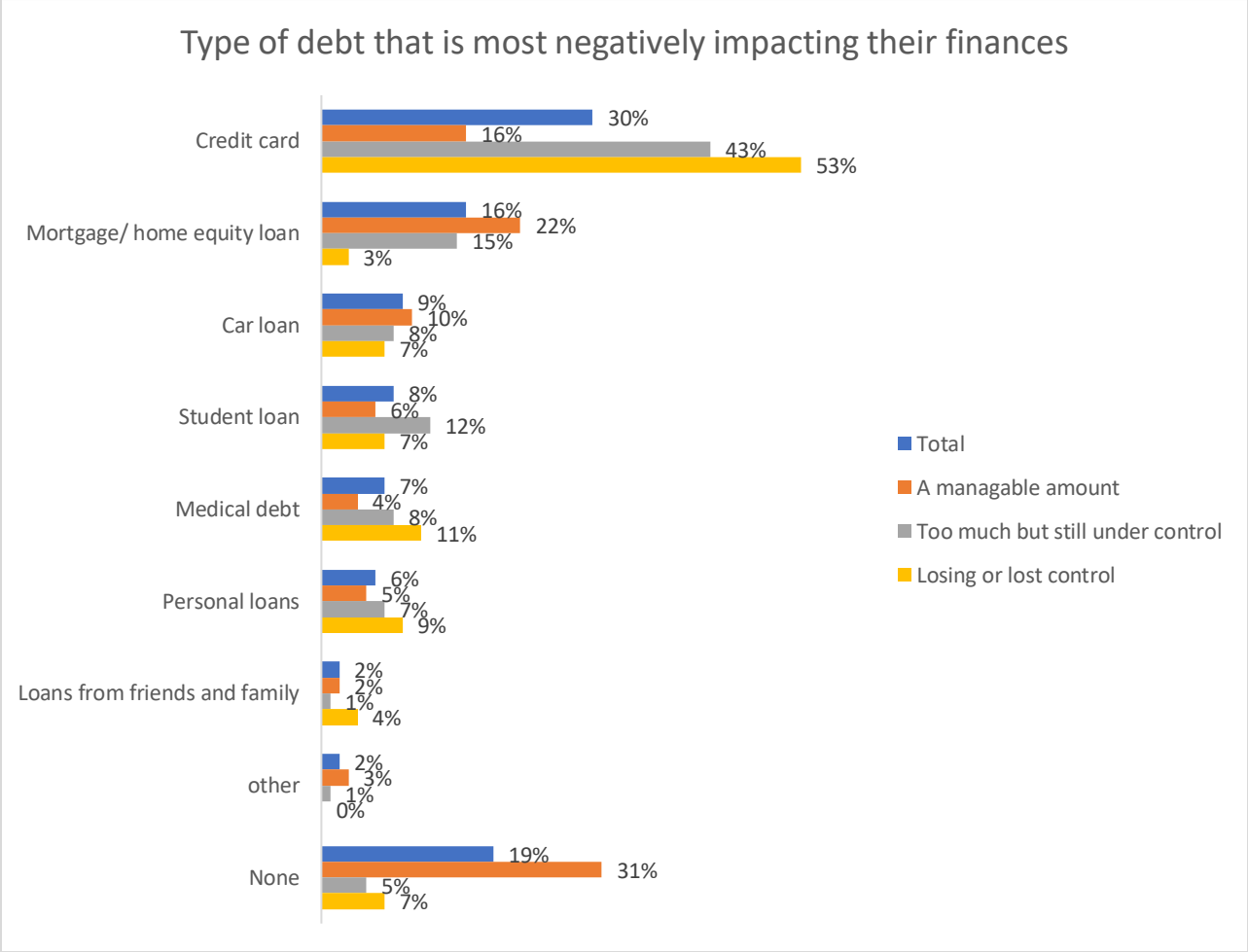
Millennials are more likely to say they have too much debt and are looking to reduce it (10%) or their debt level is completely out of control (7%), while Gen Z and Baby Boomers are more likely to say they have no debt (37% and 33%, respectively). Gen X falls in the middle with either a manageable amount of debt (43%) or too much, but it is under control (27%).

While having no debt is a clear advantage, having a manageable amount of debt is not necessarily a bad thing. Those who have no debt, or a manageable amount of debt are significantly more likely to rate their current level of financial security as excellent or good and score higher on a number of positive financial indicators compared to those who say they have too much but are still in control and those who are losing or have lost control of their debt level.

	No debt	A manageable amount	Too much but under control	Losing or lost control of debt level
Excellent/good financial security rating	68%	71%	38%	9%
Able to save money in the past two months	65%	67%	44%	19%
Likely to have enough money for a comfortable retirement	73%	70%	47%	29%
Confident in ability to pay debts as they come due	82%	92%	78%	36%

Among those with some level of debt, one in three say that credit card debt has the most impact on their personal finances. Those in the Latinx community (37%) were the most likely to say credit card debt has had the biggest impact while only 29% of white and black respondents indicated the same.

Those who feel like they have a manageable amount of debt are significantly more likely to say no particular type of debt is negatively impacting their finances (31%) or that their mortgage is the largest debt burden (22%). For those who list their debt level as too high, credit card debt is the largest concern, especially among those who feel they are losing or have lost control of their debt level (53%).

Type of debt that is most negatively impacting their finances

Credit card
- 30%
- 16%
- 43%
- 53%

Mortgage/ home equity loan
- 16%
- 22%
- 15%
- 3%

Car loan
- 9%
- 10%
- 8%
- 7%

Student loan
- 8%
- 6%
- 12%
- 7%

Medical debt
- 7%
- 4%
- 8%
- 11%

Personal loans
- 6%
- 5%
- 7%
- 9%

Loans from friends and family
- 2%
- 2%
- 1%
- 4%

other
- 2%
- 3%
- 1%
- 0%

None
- 19%
- 31%
- 5%
- 7%

Legend:
- Total
- A managable amount
- Too much but still under control
- Losing or lost control

When asked about their plan to get out of debt, most, regardless of level of debt, plan to pay it off gradually over time (64%). Twenty-five percent plan to create a budget and stick to it and another 20 percent plan to delay recreational expenses such as travel and entertainment. One in four black Americans with debt plan to alleviate their debt by working more, which includes working more hours or getting a second source of income.

Those who are losing or have lost control of their debt level, are willing to try just about anything to get out of debt:

- steadily paying it off (56%),
- delaying/changing plans for recreational expenses (39%),
- working more (27%),
- creating and sticking to a budget (25%),
- delaying/changing plans for a major purchase such as a home or car (25%)
- delaying/changing plans for repairs and maintenance to home or car (22%)
- consolidating debt (19%),
- staying in a job or delaying retirement (16%) or
- delaying/changing plans for life milestones such as marriage, having kids, or retirement (12%).

Only two percent plan to work with a financial planner and **one in five have no plan for how to get out of debt** (21%).

One in four homeowners say they have experienced property damage as a result of severe weather or natural disasters

About one in four homeowners say they have experienced some form of property damage because of severe weather (24%). While one in three homeowners who have not had damage to their home or property are concerned it will happen in the future (33%). Homeowners in the south are most likely to say they have experienced property damage (29%) while those in the west are the least likely to indicate the same (14%).

Fortunately, American homeowners seem to be prepared for severe weather. Eight in ten homeowners say they have all their important documents organized in case they need to access them (82%) and more than three in four homeowners (77%) say they have enough money to cover their deductible if they experience major damages to their home.

But, while homeowners may be taking some steps, there is more they can be doing. Three in four homeowners indicate they would like to take more steps to prepare for severe weather events or natural disasters, such as:

- creating an inventory of possessions (42%),
- saving more money for emergencies (34%),
- performing more regular maintenance on the home (23%),
- reviewing or becoming more familiar with their home insurance policy (20%),
- making upgrades to their home (19%), or
- increasing their home insurance coverage (12%).

Annotated Questionnaire:

NOTE: All results show percentages among all respondents unless otherwise labeled. Reduced bases are unweighted values
*NOTE: * = less than 0.5%, - = no respondents*

Q1. How would you rate your overall level of financial security? Please select only one response.

	Q3 2020 (n=1330)	Q4 2020 (n=1015)	Q2 2021 (n=1015)	Q4 2021 (n=1031)	Q1 2022 (n=1023)	Q3 2022 (n=1000)	Q4 2022 (n=1028)	**Q1 2023 (n=1029)**
Excellent	13%	15%	20%	15%	15%	16%	15%	**15%**
Good	40%	40%	42%	46%	42%	36%	44%	**40%**
Fair	31%	29%	23%	28%	26%	27%	25%	**27%**
Poor	68%	13%	12%	10%	14%	16%	13%	**15%**
Don't know	13%	3%	3%	1%	3%	4%	2%	**3%**
Refused	10%	6%	1%	1%	1%	*	1%	**1%**
Excellent/ Good (net)	*52%*	*55%*	*62%*	*61%*	*56%*	*53%*	*59%*	***55%***
Fair/ Poor (net)	*44%*	*42%*	*34%*	*37%*	*40%*	*43%*	*38%*	***41%***

Q2. Over the past two months, have you been able to set aside any money for savings or investments?

	Q3 2020	Q4 2020	Q2 2021	Q4 2021	Q1 2022	Q3 2022	Q4 2022	**Q1 2023**
Yes	51%	54%	66%	58%	57%	56%	55%	**55%**
No	44%	42%	28%	38%	37%	39%	38%	**40%**
Not sure	4%	3%	5%	3%	4%	5%	6%	**4%**
Refused	7%	1%	1%	1%	2%	1%	1%	**1%**

Q3. And, when it comes time to retire, how likely do you feel it will be that you will have enough money to enjoy a comfortable retirement?

	Q4 2021	Q1 2022	Q3 2022	Q4 2022	**Q1 2023**
Very likely	29%	31%	30%	29%	**27%**
Somewhat likely	35%	28%	28%	34%	**33%**
Not very likely	14%	15%	15%	15%	**15%**
Not at all likely	12%	12%	13%	13%	**15%**
Not sure	8%	12%	13%	9%	**8%**
Refused	1%	2%	1%	1%	**2%**
Likely (net)	*64%*	*59%*	*58%*	*63%*	***60%***
Not likely (net)	*26%*	*27%*	*28%*	*28%*	***30%***

Q4. Thinking for a moment about the money you may owe to others including mortgages, car loans, credit cards and other debt, how confident are you in your ability to pay all of these debts as they come due?

	Q2 2020	Q4 2020	Q2 2021	Q4 2021	Q1 2022	Q3 2022	Q4 2022	**Q1 2023**
Very confident	41%	51%	59%	54%	56%	52%	53%	**50%**
Somewhat confident	32%	32%	26%	28%	25%	27%	27%	**29%**
Not very confident	11%	7%	5%	8%	6%	7%	8%	**8%**
Not at all confident	8%	5%	4%	6%	6%	7%	6%	**7%**
Not sure	7%	5%	6%	3%	5%	6%	5%	**5%**
Refused	10%	3%	1%	1%	2%	1%	1%	**1%**
Confident (net)	*73%*	*83%*	*84%*	*83%*	*81%*	*79%*	*80%*	***79%***
Not confident (net)	*19%*	*12%*	*9%*	*14%*	*12%*	*14%*	*14%*	***15%***

Q5. And, how confident are you that your home, car, and possessions are adequately insured if they are badly damaged or destroyed?

	Q1 2023
Very confident	44%
Somewhat confident	35%
Not very confident	9%
Not at all confident	6%
Not sure	6%
Refused	1%
Confident (net)	*79%*
Not confident (net)	*15%*

Q6. Do you currently have a financial planner/advisor?

	Q1 2022	Q3 2022	Q4 2022	**Q1 2023**
Yes	23%	22%	23%	22%
No	76%	77%	77%	78%
Refused	1%	1%	1%	1%

Q7. To what extent, if at all, would you say the following have negatively impacted your personal financial situation in the past year?

A great deal/Somewhat summary

	Q1 2023
Inflation	69%
Increasing interest rates	42%
Stock market volatility	38%
Debt	30%
Severe weather events	18%
Job layoffs	15%

Q7. To what extent, if at all, would you say the following have negatively impacted your personal financial situation in the past year? *(Continued)*

a. Inflation

	Q1 2023
A great deal	42%
Somewhat	28%
A little	22%
Not at all	8%
Refused	1%
A great deal/Somewhat (net)	*69%*
A little/Not at all (net)	*30%*

b. Job layoffs

	Q1 2023
A great deal	6%
Somewhat	9%
A little	10%
Not at all	74%
Refused	1%
A great deal/Somewhat (net)	*15%*
A little/Not at all (net)	*84%*

c. Debt

	Q1 2023
A great deal	14%
Somewhat	17%
A little	24%
Not at all	45%
Refused	1%
A great deal/Somewhat (net)	*30%*
A little/Not at all (net)	*69%*

d. Increasing interest rates

	Q1 2023
A great deal	18%
Somewhat	24%
A little	24%
Not at all	32%
Refused	1%
A great deal/Somewhat (net)	*42%*
A little/Not at all (net)	*56%*

Q7. To what extent, if at all, would you say the following have negatively impacted your personal financial situation in the past year? *(Continued)*

e. Severe weather events

	Q1 2023
A great deal	3%
Somewhat	15%
A little	20%
Not at all	61%
Refused	1%
A great deal/Somewhat (net)	*18%*
A little/Not at all (net)	*81%*

f. Stock market volatility

	Q1 2023
A great deal	13%
Somewhat	24%
A little	22%
Not at all	39%
Refused	2%
A great deal/Somewhat (net)	*38%*
A little/Not at all (net)	*61%*

Q8. In the past year, have you done any of the following because of your financial situation? *Select all that apply*

	Q1 2023
Put less money into savings or investments	28%
Took money out of my savings	27%
Delayed a big purchase/vacation	23%
Took on more credit card debt	19%
Spent less on a big purchase/vacation than planned	18%
Borrowed money from friends/family	12%
Started a new job at a higher salary/pay rate	7%
Started a second job/increased work hours	7%
Borrowed money from a bank	6%
Borrowed/or took money from my 401K	5%
Delayed retirement	3%
Other	1%
None of the these	38%
Don't know	1%
Refused	1%

Q9. **[Only asked if selected Q8 1-12]** How have you used the money you made an effort to save or obtain? *Select all that apply*

	Q1 2023 (N=609)
To pay everyday expenses such as utilities, food, rent/mortgage	54%
To pay an unexpected expense	35%
To pay down debt	31%
To make a planned, major purchase	19%
To pay for a home or car repair or cover the insurance deductible	17%
Other	4%
None of the these	10%
Refused	1%

Q10. How would you describe your current level of debt (including any credit cards, student loans, personal or other loans, mortgages, home equity loans, etc.)?

	Q1 2023
I don't have any debt	26%
A manageable amount	39%
A bit too much, but still under control	22%
Too much and I'm looking for ways to reduce it	8%
Completely out of control	5%
Refused	1%

Q11. **[Only asked if has debt]** What type of debt do you think is negatively impacting your personal finances the most?

	Q1 2023 (N=748)
Credit card debt	30%
Mortgage/home equity loan	16%
Car loan debt	9%
Student loan debt	8%
Medical debt	7%
Personal or other loans from a bank or financial institution	6%
Loans from a friend or family member	2%
Other	2%
None	19%
Refused	*

Q12. **[Only asked if has debt]** What is your plan for getting out of debt? Please select all that apply.

	Q1 2023 (N=748)
Paying it off steadily over time	64%
Creating and sticking to a budget	25%
Delaying/changing plans for recreational expenses like travel, dining out, entertainment like concerts and sporting events, etc.	21%
Working more – side gig/getting a new job/working more hours	17%
Delaying/changing plans for major purchases like a home or car	12%
Staying in a job or delaying retirement	11%
Delaying/changing plans for repairs and maintenance to my home or car	8%
Consolidating my debt	7%
Delaying/changing plans for life milestones such as getting married, having a child, retirement	4%
Working with a financial planner	4%
Other	4%
I have no plan	11%
Refused	1%

Q13. **[Only asked if homeowner]** Natural disasters and extreme weather can be quite unexpected and cause significant damage. Thinking about your home, how much do you agree or disagree with the following statements?

Agree summary

	Q1 2023 (N=747)
I perform regular maintenance on my home and property to prevent damage (e.g., cleaning gutters, trimming trees, repairing roof leaks, furnace checks, changing smoke alarm batteries, etc.)	84%
I have organized my important documents so I can access them when I need to	82%
In the event of major damage to my home, I have enough money to pay my home insurance deductible	77%
I have enough home insurance coverage	77%
I know what kind of damage is covered by my home insurance	73%
I know how to file a home insurance claim if needed	73%
I have completed a home inventory of my personal belongings in case I have to file a home insurance claim	42%

Q13. **[Only asked if homeowner]** Natural disasters and extreme weather can be quite unexpected and cause significant damage. Thinking about your home, how much do you agree or disagree with the following statements? *(Continued)*

     a. In the event of major damage to my home, I have enough money to pay my home insurance deductible

	Q1 2023 (N=747)
Strongly agree	53%
Somewhat agree	24%
Somewhat disagree	6%
Strongly disagree	8%
Don't know	9%
Refused	1%
Agree (Net)	*77%*
Disagree (Net)	*14%*

     b. I have organized my important documents so I can access them when I need to

	Q1 2023 (N=747)
Strongly agree	44%
Somewhat agree	37%
Somewhat disagree	8%
Strongly disagree	4%
Don't know	5%
Refused	1%
Agree (Net)	*82%*
Disagree (Net)	*13%*

     c. I know what kind of damage is covered by my home insurance

	Q1 2023 (N=747)
Strongly agree	31%
Somewhat agree	42%
Somewhat disagree	10%
Strongly disagree	5%
Don't know	10%
Refused	1%
Agree (Net)	*73%*
Disagree (Net)	*15%*

Q13. **[Only asked if homeowner]** Natural disasters and extreme weather can be quite unexpected and cause significant damage. Thinking about your home, how much do you agree or disagree with the following statements? *(Continued)*

    d. I have completed a home inventory of my personal belongings in case I have to file a home insurance claim

	Q1 2023 (N=747)
Strongly agree	14%
Somewhat agree	28%
Somewhat disagree	28%
Strongly disagree	23%
Don't know	7%
Refused	1%
Agree (Net)	*42%*
Disagree (Net)	*50%*

    e. I have enough home insurance coverage

	Q1 2023 (N=747)
Strongly agree	43%
Somewhat agree	34%
Somewhat disagree	6%
Strongly disagree	5%
Don't know	11%
Refused	1%
Agree (Net)	*77%*
Disagree (Net)	*11%*

    f. I perform regular maintenance on my home and property to prevent damage (e.g., cleaning gutters, trimming trees, repairing roof leaks, furnace checks, changing smoke alarm batteries, etc.)

	Q1 2023 (N=747)
Strongly agree	51%
Somewhat agree	32%
Somewhat disagree	6%
Strongly disagree	4%
Don't know	5%
Refused	1%
Agree (Net)	*84%*
Disagree (Net)	*10%*

Q13. **[Only asked if homeowner]** Natural disasters and extreme weather can be quite unexpected and cause significant damage. Thinking about your home, how much do you agree or disagree with the following statements? *(Continued)*

g. I know how to file a home insurance claim if needed

	Q1 2023 (N=747)
Strongly agree	43%
Somewhat agree	29%
Somewhat disagree	10%
Strongly disagree	6%
Don't know	11%
Refused	1%
Agree (Net)	*74%*
Disagree (Net)	*16%*

Q14. **[Only asked if homeowner]** Are there any actions you would like to take to feel more prepared for a severe weather event or natural disaster? Please select all that apply.

	Q1 2023 (N=747)
Create an inventory of my possessions	42%
Save more money in case of an emergency	34%
Perform more regular maintenance on my home	23%
Review/be more familiar with my home/renter's insurance policy	20%
Make upgrades to my home	19%
Increase my home insurance coverage	12%
Other	1%
Don't know	6%
None of these	24%
Refused	1%

Q15. **[Only asked if homeowner]** Have you had any damage to your home or property, including things like a car, as a result of the weather where you live or, if not, are you worried about the risk of future damage caused by weather?

	Q1 2023 (N=747)
I have had damage to my home/property	23%
Have not had it happen, but I worry about damage to my home/property	33%
Have not had it happen, nor am I worried about damage to my home/property	37%
Don't know	5%
Refused	1%

About the Study

This Country Financial/Ipsos Poll was conducted February 3 - 5, 2023, by Ipsos using the probability-based KnowledgePanel®. This poll is based on a nationally representative probability sample of 1,029 general population adults aged 18 or older.

The margin of sampling error is plus or minus 3.2 percentage points at the 95% confidence level, for results based on the entire sample of adults. The margin of sampling error takes into account the design effect, which was 1.09. The margin of sampling error is higher and varies for results based on other sub-samples. In our reporting of the findings, percentage points are rounded off to the nearest whole number. As a result, percentages in a given table column may total slightly higher or lower than 100%. In questions that permit multiple responses, columns may total substantially more than 100%, depending on the number of different responses offered by each respondent.

The survey was conducted using KnowledgePanel, the largest and most well-established online probability-based panel that is representative of the adult US population. Our recruitment process employs a scientifically developed addressed-based sampling methodology using the latest Delivery Sequence File of the USPS – a database with full coverage of all delivery points in the US. Households invited to join the panel are randomly selected from all available households in the U.S. Persons in the sampled households are invited to join and participate in the panel. Those selected who do not already have internet access are provided a tablet and internet connection at no cost to the panel member. Those who join the panel and who are selected to participate in a survey are sent a unique password-protected log-in used to complete surveys online. As a result of our recruitment and sampling methodologies, samples from KnowledgePanel cover all households regardless of their phone or internet status, and findings can be reported with a margin of sampling error and projected to the general population.

The data were weighted to adjust for gender by age, race/ethnicity, education, Census region, metropolitan status, household income, race/ethnicity by gender, race/ethnicity by age, and race/ethnicity by education. The demographic benchmarks came from the 2019 March supplement of the U.S. Census Bureau's Current Population Survey (CPS). The weighting categories were as follows:

- Gender (Male, Female) by Age (18–29, 30–44, 45–59, and 60+)
- Race/Hispanic Ethnicity (White Non-Hispanic, Black Non-Hispanic, Other or 2+ Races Non-Hispanic, Hispanic)
- Education (High School graduate or less, Some College, Bachelor's and beyond)
- Census Region (Northeast, Midwest, South, West)
- Metropolitan status (Metro, non-Metro)
- Household Income (Under $25,000, $25,000-$49,999, $50,000-$74,999, $75,000-$99,999, $100,000-$149,999, $150,000+)
- Race/ethnicity (White/Other Non-Hispanic, Black Non-Hispanic, Hispanic) by Gender (Male, Female)
- Race/ethnicity (White/Other Non-Hispanic, Black Non-Hispanic, Hispanic) by Age (18-44, 45+)
- Race/ethnicity (White/Other Non-Hispanic, Black Non-Hispanic, Hispanic) by Education (Some College or less, Bachelor and beyond)

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