

PRIMERICA AND CHANGE RESEARCH RELEASE Q3 U.S. MIDDLE-INCOME FINANCIAL SECURITY MONITOR | OCTOBER 2022

A QUARTERLY TRACKING POLL OF MIDDLE-INCOME AMERICANS' FINANCIAL MOOD



Primerica's third quarter 2022 Middle-Income Financial Security Monitor finds households increasingly relying on credit cards – and taking on debt – as the higher cost of living continues to take a toll.

Overall, a majority (53%) still feel positive about their personal finances; however, that percentage has dropped by 11 percentage points over the past two years and represents the lowest positive rating since the poll began. Additionally, three-quarters (75%) say their income is falling behind the cost of living, and just 22% believe they will be better off financially a year from now.



How are middle-income families coping with inflation?

- **Credit card debt on the rise.** More than one-third (37%) report taking on more credit card debt, a six-point increase since June's survey and the highest number since quarterly data tracking began. About one-fifth (21%) say they are making only the minimum payment on their balance each month, the highest percentage in the survey's history.



37%

taking on more
credit card debt



21%

making only the
minimum payment

- **Inflation, finances continue to drive top concerns.** Worry over the economy continues to be a major stressor, with nearly two-fifths (37%) rating inflation as their top concern. Their current financial situation also ranks high (29%, up four percentage points since June), as does paying for food and groceries (27%, up one percentage point since June) and saving for retirement (20%, up two percentage points since June).
- **Households shift how they spend – and save.** Three-quarters (75%) report cutting back on non-essentials; nearly half (47%) are cutting back or pausing on saving; more than two-fifths (43%) are putting off regular maintenance on their car or home; about one-third (34%) are tapping their savings; and nearly one-third (29%) report using their credit cards more.



HOW ARE MIDDLE-INCOME FAMILIES DOING FINANCIALLY?

- **Outlook for future lowest in past two years.** The percentage of respondents who feel positive about their ability to save for the future is down 20 percentage points over the past two years, falling from 45% in September 2020 to just 25% today.
- **Lack of money continues to stall retirement savings.** Of respondents without an IRA or retirement savings plan through work, half (52%) say they simply can't afford to save for retirement, the highest percentage since the survey began. In addition, less than one-fifth (19%) believe they have enough saved to retire comfortably, down 12 points from nearly one-third (31%) in September 2020.

ADDITIONAL INSIGHTS FROM PRIMERICA'S U.S. MIDDLE-INCOME FINANCIAL SECURITY MONITOR



HOW DO MIDDLE-INCOME AMERICANS VIEW THEIR JOBS?

- **Strong job market has Americans looking to switch employers.** One-third (33%) of those employed say they are at least somewhat likely to change jobs in the next year, a five-point increase from June.
- **Many looking for additional work.** More than a third (38%), including those who are currently retired, say they plan to pick up additional work.



ARE FAMILIES EQUIPPED WITH THE FINANCIAL INFORMATION THEY NEED?

- **Many lack confidence in their own financial decisions.** Only a quarter (25%) are very confident that they could make sound financial decisions without outside professional help.
- **Budgeting, savings take a back seat for some.** Nearly a third (32%) say they don't contribute to a savings account, follow a budget, contribute to an investment account, or set a financial budget each month.
- **Anxiety continues to be leading factor.** Anxiety (34%) and not having time (19%) are cited as the biggest challenges people face when it comes to tracking their financial information.

TOPLINE TRENDS DATA	Sep. 2022	Jun. 2022	Mar. 2022	Dec. 2021	Aug. 2021	Apr. 2021	Dec. 2020
<p>How would you rate the condition of your personal finances? (Reporting "Excellent" and "Good" responses.)</p> <p>Q3 2022 Survey: Confidence in personal finances has trended downward since April 2021.</p>	53%	54%	60%	64%	65%	67%	57%
<p>Overall, would you say your income is...? (Reporting "Falling behind the cost of living" responses.)</p> <p>Q3 2022 Survey: Concern about meeting increased is still up.</p>	75%	75%	67%	68%	65%	56%	59%
<p>Do you have an emergency fund that would cover an expense of \$1,000 or more (for example, if your car broke down or you had a large medical bill)? (Reporting "Yes" responses.)</p> <p>Q3 2022 Survey: About the same percentage have an emergency fund that would cover an expense of \$1,000 or more.</p>	60%	61%	62%	60%	65%	66%	56%
<p>How would you rate the economic health of your community? (Reporting "Not so good" and "Poor" responses.)</p> <p>Q3 2022 Survey: The economic health of communities improved modestly.</p>	55%	58%	52%	50%	54%	52%	57%
<p>How would you rate your ability to save for the future? (Reporting "Not so good" and "Poor" responses.)</p> <p>Q3 2022 Survey: Over 70% feel it will be difficult to save for the future, an increase from previous surveys.</p>	73%	72%	66%	62%	63%	58%	65%
<p>In the past three months, has your credit card debt...? (Reporting "Increased" responses.)</p> <p>Q3 2022 Survey: Credit card debt is at the highest point in Monitor history.</p>	37%	29%	25%	28%	21%	18%	25%



ABOUT PRIMERICA'S U.S. MIDDLE-INCOME FINANCIAL SECURITY MONITOR

The Monitor is a quarterly national survey to monitor the financial health of those with annual household incomes of \$30,000-\$100,000. Change Research conducted online polling from September 2-5, 2022. Using Dynamic Online Sampling, Change Research polled 1,546 adults over 18. Post-stratification weights were made on gender, age, race, education and Census region to reflect the population of these adults based on the five-year averages in the 2020 American Community Survey published by the U.S. Census. The margin of error is 2.8%.