Summary of Selected Findings: New Jersey

<table>
<thead>
<tr>
<th>Making Ends Meet</th>
<th>State</th>
<th>Nation</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficulty covering expenses and paying bills</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very difficult</td>
<td>11%</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Somewhat difficult</td>
<td>32%</td>
<td>33%</td>
<td>32%</td>
</tr>
<tr>
<td>Not at all difficult</td>
<td>54%</td>
<td>54%</td>
<td>56%</td>
</tr>
<tr>
<td>Spending vs. saving</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spending less than income</td>
<td>42%</td>
<td>43%</td>
<td>43%</td>
</tr>
<tr>
<td>Spending about equal to income</td>
<td>33%</td>
<td>34%</td>
<td>35%</td>
</tr>
<tr>
<td>Spending more than income</td>
<td>19%</td>
<td>19%</td>
<td>18%</td>
</tr>
<tr>
<td>Overdraw checking account occasionally</td>
<td>23%</td>
<td>21%</td>
<td>21%</td>
</tr>
<tr>
<td>Have unpaid medical bills</td>
<td>19%</td>
<td>22%</td>
<td>18%</td>
</tr>
<tr>
<td>Number of times mortgage payments have been late</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Once</td>
<td>9%</td>
<td>8%</td>
<td>13%</td>
</tr>
<tr>
<td>More than once</td>
<td>6%</td>
<td>9%</td>
<td>11%</td>
</tr>
<tr>
<td>Have taken a loan from retirement account in past year</td>
<td>11%</td>
<td>14%</td>
<td>17%</td>
</tr>
<tr>
<td>Have taken a hardship withdrawal from retirement account in past year</td>
<td>15%</td>
<td>14%</td>
<td>18%</td>
</tr>
<tr>
<td>Have experienced large unexpected drop in income in past year</td>
<td>23%</td>
<td>26%</td>
<td>23%</td>
</tr>
</tbody>
</table>

| Planning Ahead                                                                  |       |        |        |
| Have emergency funds                                                            | 57%   | 53%    | 55%    |
| Do not have emergency funds                                                     | 39%   | 43%    | 39%    |
| Have tried to figure out retirement savings needs                               | 36%   | 39%    | 36%    |
| Have not tried to figure out retirement savings needs                            | 58%   | 55%    | 57%    |
| Have set aside money for children’s college education                           | 46%   | 40%    | 47%    |
| Have not set aside money for children’s college education                        | 46%   | 54%    | 46%    |

| Retirement Accounts                                                             |       |        |        |
| Have employer-provided retirement plan (e.g., pension, 401(k))                  | 52%   | 49%    | 49%    |
| Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)                 | 28%   | 26%    | 29%    |
| Regularly contribute to retirement account                                       | 79%   | 79%    | 75%    |
### Stocks, Bonds, and Mutual Funds
Invest in stocks, bonds, mutual funds, or other securities outside of retirement account

<table>
<thead>
<tr>
<th>Stock, Bond, or Mutual Fund</th>
<th>State</th>
<th>Nation</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock</td>
<td>40%</td>
<td>35%</td>
<td>37%</td>
</tr>
<tr>
<td>Bond</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutual Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Managing Financial Products

#### Banking
- Have checking account
  - NJ: 92%
  - Nation: 91%
  - Region: 91%
- Have savings account, money market account, or CDs
  - NJ: 75%
  - Nation: 72%
  - Region: 73%

#### Credit Cards
Credit card behaviors in past year
- Always paid credit cards in full
  - NJ: 65%
  - Nation: 59%
  - Region: 62%
- Carried over a balance and was charged interest
  - NJ: 39%
  - Nation: 43%
  - Region: 42%
- Paid the minimum payment only
  - NJ: 32%
  - Nation: 35%
  - Region: 32%
- Charged a late fee for late payment
  - NJ: 17%
  - Nation: 17%
  - Region: 18%
- Charged an over the limit fee for exceeding credit line
  - NJ: 10%
  - Nation: 11%
  - Region: 12%
- Used the cards for a cash advance
  - NJ: 15%
  - Nation: 15%
  - Region: 16%

#### Mobile Payment Methods
- Use mobile phone to pay at point of sale
  - NJ: 47%
  - Nation: 43%
  - Region: 44%
- Use mobile phone to transfer money to another person
  - NJ: 54%
  - Nation: 53%
  - Region: 49%

#### Mortgages
- Have mortgage
  - NJ: 50%
  - Nation: 51%
  - Region: 45%
- Have home equity loan
  - NJ: 17%
  - Nation: 12%
  - Region: 16%
- Home “underwater” (negative equity)
  - NJ: 6%
  - Nation: 7%
  - Region: 9%

#### Other Debt
- Have student loan
  - NJ: 25%
  - Nation: 23%
  - Region: 23%
- Have auto loan
  - NJ: 25%
  - Nation: 29%
  - Region: 25%

#### Non-Bank Borrowing
Non-bank borrowing methods used in past 5 years
- Auto title loan
  - NJ: 12%
  - Nation: 12%
  - Region: 13%
- Short term “payday” loan
  - NJ: 11%
  - Nation: 15%
  - Region: 14%
- Tax refund advance
  - NJ: 10%
  - Nation: 11%
  - Region: 13%
- Pawn shop
  - NJ: 16%
  - Nation: 21%
  - Region: 17%
- Rent-to-own store
  - NJ: 10%
  - Nation: 14%
  - Region: 15%

- Used one or more non-bank borrowing methods in past 5 years
  - NJ: 25%
  - Nation: 32%
  - Region: 28%
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?

- More than $102 (correct answer) 69% 69% 66%
- Exactly $102 7% 9% 10%
- Less than $102 6% 6% 6%
- 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 10% 12% 12%
- Exactly the same 12% 11% 12%
- Less than today (correct answer) 51% 53% 50%
- Don’t know 25% 23% 25%

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

- They will rise 20% 20% 17%
- They will fall (correct answer) 25% 25% 27%
- They will stay the same 4% 6% 7%
- There is no relationship between bond prices and the interest rate 9% 9% 8%
- Don’t know 40% 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% 5%
- At least 2 years but less than 5 years (correct answer) 31% 30% 29%
- At least 5 years but less than 10 years 26% 28% 26%
- At least 10 years 8% 7% 8%
- Don’t know 29% 28% 30%

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

- There is a one-in-twenty chance of getting the disease (correct answer) 34% 36% 35%
- 2% of the population will get the disease 13% 13% 12%
- 25 out of every 1,000 people will get the disease 17% 17% 17%
- Don’t know 35% 33% 34%
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.

- True (correct answer) 67% 69% 66%
- False 12% 9% 11%
- Don’t know 21% 22% 23%

Buying a single company’s stock usually provides a safer return than a stock mutual fund.

- True 15% 12% 13%
- False (correct answer) 45% 42% 41%
- Don’t know 40% 45% 44%

Mean number of correct quiz answers 3.23 3.23 3.15
Mean number of incorrect quiz answers 1.65 1.63 1.66
Mean number of “don’t know” quiz answers 2.06 2.06 2.13

Notes:

Region = Middle Atlantic Census Division (New Jersey, New York, Pennsylvania).
State figures are weighted by age × gender, ethnicity and education.
National figures are weighted by age × gender, ethnicity, education and Census Division.
Census Division figures are weighted by age × 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.