

Summary of Selected Findings: Rhode Island

	State	Nation	Region	
Making Ends Meet				
Difficulty covering expenses and paying bills				
Very difficult	11%	10%	9%	
Somewhat difficult	32%	33%	31%	
Not at all difficult	55%	54%	57%	
Spending vs. saving				
Spending less than income	43%	43%	47%	
Spending about equal to income	35%	34%	30%	
Spending more than income	18%	19%	19%	
Overdraw checking account occasionally	21%	21%	18%	Respondents with checking accounts
Have unpaid medical bills	16%	22%	17%	
Number of times mortgage payments have been late				
Once	5%	8%	7%	Respondents with mortgages
More than once	6%	9%	8%	
Have taken a loan from retirement account in past year	14%	14%	12%	Respondents with defined contribution retirement accounts
Have taken a hardship withdrawal from retirement account in past year	10%	14%	10%	
Have experienced large unexpected drop in income in past year	24%	26%	21%	
Planning Ahead				
Have emergency funds	56%	53%	58%	
Do not have emergency funds	39%	43%	38%	
Have tried to figure out retirement savings needs	38%	39%	40%	Non-retired respondents
Have not tried to figure out retirement savings needs	54%	55%	53%	
Have set aside money for children’s college education	40%	40%	45%	Respondents with financially dependent children
Have not set aside money for children’s college education	59%	54%	50%	
Retirement Accounts				
Have employer-provided retirement plan (e.g., pension, 401(k))	56%	49%	53%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)	30%	26%	31%	
Regularly contribute to retirement account	83%	79%	82%	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	40%	35%	37%
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Managing Financial Products

Banking

Have checking account	95%	91%	92%
Have savings account, money market account, or CDs	74%	72%	78%

Credit Cards

Credit card behaviors in past year			
Always paid credit cards in full	56%	59%	59%
Carried over a balance and was charged interest	47%	43%	41%
Paid the minimum payment only	37%	35%	32%
Charged a late fee for late payment	17%	17%	15%
Charged an over the limit fee for exceeding credit line	8%	11%	9%
Used the cards for a cash advance	9%	15%	13%

Respondents with credit cards

Mobile Payment Methods

Use mobile phone to pay at point of sale	43%	43%	42%
Use mobile phone to transfer money to another person	52%	53%	49%

Mortgages

Have mortgage	55%	51%	53%
Have home equity loan	17%	12%	14%

Homeowners

Home “underwater” (negative equity)	4%	7%	6%
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Homeowners

Other Debt

Have student loan	24%	23%	25%
Have auto loan	30%	29%	32%

Non-Bank Borrowing

Non-bank borrowing methods used in past 5 years			
Auto title loan	8%	12%	11%
Short term “payday” loan	11%	15%	10%
Tax refund advance	6%	11%	10%
Pawn shop	15%	21%	15%
Rent-to-own store	10%	14%	12%
Used one or more non-bank borrowing methods in past 5 years	25%	32%	25%

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)	70%	69%	72%
Exactly \$102	9%	9%	7%
Less than \$102	7%	6%	6%
Don't know	13%	15%	14%

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%	12%
Exactly the same	9%	11%	10%
<u>Less than today</u> (correct answer)	56%	53%	55%
Don't know	19%	23%	21%

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

They will rise	21%	20%	18%
<u>They will fall</u> (correct answer)	24%	25%	29%
They will stay the same	5%	6%	6%
There is no relationship between bond prices and the interest rate	8%	9%	9%
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	4%	5%	4%
<u>At least 2 years but less than 5 years</u> (correct answer)	32%	30%	31%
At least 5 years but less than 10 years	33%	28%	27%
At least 10 years	8%	7%	9%
Don't know	23%	28%	27%

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%	36%
2% of the population will get the disease	12%	13%	13%
25 out of every 1,000 people will get the disease	18%	17%	18%
Don't know	32%	33%	32%

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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)	76%	69%	71%
False	7%	9%	8%
Don't know	16%	22%	21%
Buying a single company's stock usually provides a safer return than a stock mutual fund.			
True	9%	12%	10%
<u>False</u> (correct answer)	47%	42%	44%
Don't know	44%	45%	45%
Mean number of correct quiz answers	3.43	3.23	3.37
Mean number of incorrect quiz answers	1.64	1.63	1.57
Mean number of "don't know" quiz answers	1.88	2.06	1.99

Notes:

Region = New England Census Division (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont).

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.