

Summary of Selected Findings: Arkansas

		State	Nation	Region	
Making Ends Meet					
Difficulty covering expenses and paying bills					
Very difficult		16%	14%	15%	
Somewhat difficult		45%	40%	42%	
Not at all difficult		37%	44%	42%	
Spending vs. saving					
Spending less than income		35%	38%	35%	
Spending about equal to income		37%	33%	36%	
Spending more than income		25%	26%	26%	
Overdraw checking account occasionally		28%	24%	26%	Respondents with checking accounts
Have unpaid medical bills		31%	22%	28%	
Number of times mortgage payments have been late					
Once		9%	8%	10%	Respondents with mortgages
More than once		11%	8%	8%	
Have taken a loan from retirement account in past year		15%	12%	12%	Respondents with defined contribution retirement accounts
Have taken a hardship withdrawal from retirement account in past year		17%	11%	13%	
Have experienced large unexpected drop in income in past year		25%	25%	29%	
Planning Ahead					
Have emergency funds		39%	46%	45%	
Do not have emergency funds		58%	50%	53%	
Have tried to figure out retirement savings needs		38%	39%	34%	Non-retired respondents
Have not tried to figure out retirement savings needs		58%	57%	61%	
Have set aside money for children’s college education		24%	36%	34%	Respondents with financially dependent children
Have not set aside money for children’s college education		73%	61%	63%	
Retirement Accounts					
Have employer-provided retirement plan (e.g., pension, 401(k))		42%	52%	47%	Non-retired respondents
Have non-employer retirement plan (e.g., IRA, Keogh, SEP, etc.)		20%	25%	22%	
Regularly contribute to retirement account		76%	80%	81%	Respondents with defined contribution retirement accounts

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<i>Stocks, Bonds, and Mutual Funds</i>				
Invest in stocks, bonds, mutual funds, or other securities outside of retirement account	26%	34%	29%	
Managing Financial Products				
<i>Banking</i>				
Have checking account	90%	92%	91%	
Have savings account, money market account, or CDs	58%	72%	67%	
<i>Credit Cards</i>				
Credit card behaviors in past year				
Always paid credit cards in full	42%	53%	50%	<i>Respondents with credit cards</i>
Carried over a balance and was charged interest	57%	48%	49%	
Paid the minimum payment only	45%	41%	43%	
Charged a late fee for late payment	23%	21%	24%	
Charged an over the limit fee for exceeding credit line	14%	13%	15%	
Used the cards for a cash advance	15%	15%	16%	
<i>Mobile Payment Methods</i>				
Use mobile device to pay at point of sale	50%	53%	57%	
Use mobile device to transfer money to another person	62%	65%	69%	
<i>Mortgages</i>				
Have mortgage	48%	53%	47%	<i>Homeowners</i>
Have home equity loan	7%	12%	7%	
Home “underwater” (negative equity)	5%	5%	7%	<i>Homeowners</i>
<i>Other Debt</i>				
Have student loan	20%	22%	22%	
Have auto loan	30%	27%	28%	
<i>Non-Bank Borrowing</i>				
Non-bank borrowing methods used in past 5 years				
Auto title loan	11%	10%	13%	
Short term “payday” loan	16%	15%	20%	
Tax refund advance	12%	10%	13%	
Pawn shop	29%	19%	29%	
Rent-to-own store	17%	11%	13%	
Used one or more non-bank borrowing methods in past 5 years	41%	31%	42%	

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)	68%	69%	66%
Exactly \$102	7%	8%	7%
Less than \$102	6%	5%	6%
Don't know	18%	16%	20%

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	6%	8%	8%
Exactly the same	10%	10%	11%
<u>Less than today</u> (correct answer)	56%	58%	56%
Don't know	27%	23%	24%

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

They will rise	20%	20%	20%
<u>They will fall</u> (correct answer)	23%	25%	25%
They will stay the same	4%	5%	5%
There is no relationship between bond prices and the interest rate	9%	8%	8%
Don't know	43%	42%	40%

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	6%	5%	6%
<u>At least 2 years but less than 5 years</u> (correct answer)	23%	29%	31%
At least 5 years but less than 10 years	29%	27%	27%
At least 10 years	8%	8%	7%
Don't know	33%	30%	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)	34%	35%	34%
2% of the population will get the disease	12%	12%	12%
25 out of every 1,000 people will get the disease	18%	16%	17%
Don't know	35%	36%	36%

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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)	64%	69%	67%
False	9%	9%	10%
Don't know	27%	22%	23%
Buying a single company's stock usually provides a safer return than a stock mutual fund.			
True	10%	11%	11%
<u>False</u> (correct answer)	38%	41%	39%
Don't know	52%	47%	49%
Mean number of correct quiz answers	3.07	3.26	3.19
Mean number of incorrect quiz answers	1.54	1.53	1.55
Mean number of "don't know" quiz answers	2.36	2.16	2.22

Notes:

Region = West South Central Census Division (Arkansas, Louisiana, Oklahoma, Texas).

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 2024.

Additional findings and details are available for download at www.FINRAFoundation.org/NFCS.