

National Survey: Middle-Income Families Adapting to ‘New Normal’ of Higher Costs

Fifth anniversary of poll reveals reduced savings, lingering debt and lower financial confidence

DULUTH, Ga.--(BUSINESS WIRE)-- Middle-income Americans' financial outlook has weakened under the weight of higher costs, according to the latest Primerica U.S. Middle-Income [Financial Security Monitor™ \(FSM™\)](#) survey. The results, marking the fifth anniversary of the poll, reveal a steady decline in savings, a striking rise in credit card debt and a notable decrease in confidence in being able to retire.

When the survey first launched in Q3 2020, about half (50%) of middle-income Americans said their income was falling behind the cost of living. Today, more than two-thirds (69%) hold this view — a statistic that has remained relatively stable for nearly two years, underscoring the ongoing strain on budgets.

The past five years have also seen a significant weakening in credit card repayment patterns, with more families carrying balances month to month. The share of middle-income Americans who say they pay their balances in full each month has dropped from 44% in 2020 to just 29% today. In addition, households are increasingly using their “rainy day” emergency fund as an “any day” fund, with many feeling pressured to tap savings just to make ends meet.

“The economy has been fluctuating month to month and sometimes week to week for years, but one thing is clear - the higher cost of living isn’t going away,” said Glenn J. Williams, CEO of Primerica. “The current reality is that families can’t afford to wait for a better financial outlook and they need to continue to adapt by acting now for themselves to create a personalized plan, whatever their current financial situation may be.”

The financial pressure on working families is reflected in [Primerica’s Household Budget Index™ \(HBI™\)](#) data, which measures the purchasing power of middle-income households. The HBI™ metric has remained relatively stable over the past two years, underscoring how many households are unable to get ahead as recovery remains slow. The majority of respondents expect costs for items the HBI™ metric measures — food, utilities, health care, gasoline and car insurance — to rise in the coming months, signaling families anticipate little financial relief on the horizon.

“The past five years have been marked by mounting financial pressures on middle-income households,” said Amy Crews Cutts, Ph.D., CBE®, economic consultant to Primerica. “Families are dipping into emergency funds more often, struggling with rising credit card debt, and feeling less confident about retirement — all signs that today’s challenges are long-lasting and reshaping household budgets in significant ways.”

Additional key findings from Primerica's Q3 2025 U.S. Middle-Income Financial Security Monitor™ (FSM™):

- **Emergency funds are becoming every day funds.** While 58% of middle-income Americans say they have an emergency fund that could cover an expense of \$1,000 or more, half (50%) report having to tap those savings in the past year — a sign of how stretched household finances have become.
- **Majority expect prices on everyday essentials to rise.** Most respondents anticipate higher costs on core HBI™ metric items, including food and groceries (80%, up from 68% in December 2024), utilities (74%, up from 63%), and gas (63%, up from 51%).
- **Confidence in saving for retirement remains low.** Only 18% of respondents say they believe they are saving enough for a comfortable retirement, down sharply from 31% in Q3 2020 — highlighting the difficulty families face in balancing today's expenses with tomorrow's financial goals.

Primerica Financial Security Monitor™ (FSM™) Topline Trends Data

	Sept 2025	Jun 2025	Mar 2025	Dec 2024
How would you rate the condition of your personal finances?				
Share reporting "Excellent" or "Good."	46%	46%	48%	45%
<i>Analysis: Respondents' assessments of their personal finances has remained about the same</i>				
Overall, would you say your income is...?				
Share reporting "Falling behind the cost of living"	69%	65%	69%	65%
Share reporting "Stayed about even with the cost of living"	22%	24%	23%	29%
<i>Analysis: Concern about meeting the increased cost of living has remained about the same</i>				
And in the next year, do you think the American economy will be...?				
Share reporting "Worse off than it is now"	63%	61%	76%	55%
Share reporting "Uncertain"	6%	4%	4%	9%
<i>Analysis: The share of respondents expecting the economy to worsen over the next year has</i>				
Do you have an emergency fund that would cover an expense of \$1,000 or more (for exa				
Reporting "Yes" responses	58%	60%	64%	59%
<i>Analysis: The percentage of Americans who have an emergency fund that would cover an ex</i>				
How would you rate the economic health of your community?				
Reporting "Not so good" and "Poor" responses	59%	59%	66%	63%

Analysis: Respondents' rating of the economic health of their communities has improved slightly

How would you rate your ability to save for the future?

Reporting "Not so good" and "Poor" responses	71%	71%	71%	71%
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Analysis: A significant majority continue to feel it is difficult to save for the future.

In the past three months, has your credit card debt...?

Reporting "Increased" responses	34%	31%	31%	34%
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Analysis: Credit card debt has remained about the same over the past year.

About Primerica's Middle-Income Financial Security Monitor™ (FSM™) Survey

Since September 2020, the Primerica Financial Security Monitor™ survey has polled middle-income households quarterly to gain a clear picture of their financial situation, and it coincides with the release of the monthly HBI™ metric four times annually. Polling was conducted online from Sept. 9-14, 2025. Using Dynamic Online Sampling, Change Research polled 1,531 adults nationwide with incomes between \$30,000 and \$130,000. 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 2021 American Community Survey, published by the U.S. Census. The margin of error is 2.7%. For more information visit [Primerica.com/public/financial-security-monitor.html](https://www.primerica.com/public/financial-security-monitor.html).

About Primerica, Inc.

Primerica, Inc., headquartered in Duluth, GA, is a leading provider of financial products and services to middle-income households in North America. Independent licensed representatives educate Primerica clients about how to better prepare for a more secure financial future by assessing their needs and providing appropriate solutions through term life insurance, which we underwrite, and mutual funds, annuities and other financial products, which we distribute primarily on behalf of third parties. We insured over 5.5 million lives and had approximately 3.0 million client investment accounts on December 31, 2024. Primerica, through its insurance company subsidiaries, was the #3 issuer of Term Life insurance coverage in the United States and Canada in 2024. Primerica stock is included in the S&P MidCap 400 and the Russell 1000 stock indices and is traded on The New York Stock Exchange under the symbol "PRI". For more information, visit www.primerica.com.

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