

SURVEY: Americans' Financial Behavior Likely to be Impacted by International Conflict for Months to Come

Financial literacy more crucial than ever as inflation persists

DULUTH, Ga.--(BUSINESS WIRE)-- Primerica, Inc. (NYSE: PRI), a leading provider of financial services in the United States and Canada, released the Middle-Income Financial Security Monitor for the first quarter of 2022 — a national survey that measures changes in the sentiments of middle-income families in the U.S. about their finances.

The survey found middle-income households remain concerned about inflation, with a majority indicating they are considering lifestyle changes to cut back on spending. In fact, two-thirds (66%) say inflation already has or is likely to impact a major purchase decision, and many people are contemplating lifestyle shifts because of rising costs.

Concern over the ongoing international conflict is also top of mind, with 61% saying they expect it will have at least some impact on their financial behavior and decisions over the next few months. This concern mirrors a Gallup poll about inflation issues from 1946 following World War II, when supply-chain shortages and pent-up demand drove prices upward.

“As we face the highest inflation levels in the past 40 years, it is critically important for middle-income families to understand how to budget, manage debt, save for the future and protect their incomes,” said Glenn J. Williams, CEO of Primerica. “These priorities compete for limited financial resources, making the need for professional guidance more important than ever.”

Key Findings from Primerica’s U.S. Middle-Income Financial Security Monitor

- **Increasing cost of goods and services.** Families are seeing the impact of inflation all around them, with respondents noting increasing price tags on a variety of items. That includes groceries (95%), gas (93%), retail purchases (82%), restaurants and bars (79%), health care (75%), subscriptions such as Netflix and Amazon (70%), and more. Of these, groceries (67%) and gas (60%) by far cause the most concern.
- **Most plan to cut back due to inflation.** The primary items people anticipate cutting back on include restaurant/take-out meals (57%), keeping current technology instead of upgrading (44%), and budgeting food purchases or cutting back on groceries (37%). Many are also looking at delaying a major purchase, with 40% indicating they have already done so and another quarter (26%) considering it.
- **Is the “Great Resignation” waning?** One-quarter (26%) say they are at least somewhat likely to change jobs in the next year, a decline from the 33% of respondents in December’s poll. Those likeliest to change jobs include adults ages 18-34 years old (35%), and Midwesterners (34%).

Financial Literacy

April marks Financial Literacy Month and considering the current economic environment, it's noteworthy that many respondents indicated they feel anxious about tracking their financial health and don't know where to start. In addition, while a majority indicated it's smart to start saving and investing for retirement sooner rather than later, many aren't following their own advice. Nearly one-third (30%) say they don't contribute to a savings account, follow a budget, contribute to an investment account, or set a financial budget each month. Among the biggest challenges people cite for keeping track of their finances are anxiety (26%) and not having time (18%).

Topline Trends Data

	Mar. 2022	Dec. 2021	Aug. 2021	Apr. 2021	Dec. 2020	Sep. 2020
<i>How would you rate the condition of your personal finances? (Reporting "Excellent" and "Good" responses.)</i> Q1 2022 Survey: Confidence in personal finances reported, consistent with previous reports.	60%	64%	65%	67%	57%	64%
<i>Overall, would you say your income is...? (Reporting "Falling behind the cost of living" responses.)</i> Q1 2022 Survey: Concern about meeting increased cost of living remains high.	67%	68%	65%	56%	59%	50%
<i>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.)</i> Q1 2022 Survey: About the same percentage have an emergency fund that would cover an expense of \$1,000 or more.	62%	60%	65%	66%	56%	61%
<i>How would you rate the economic health of your community? (Reporting "Not so good" and "Poor" responses.)</i> Q1 2022 Survey: Half rate the economic health of their community negatively.	52%	50%	54%	52%	57%	45%

How would you rate your ability to save for the future? (Reporting “Not so good” and “Poor” responses.)	66%	62%	63%	58%	65%	54%
Q1 2022 Survey: Over 60% feel it will be difficult to save for the future, consistent with previous survey.						
In the past three months, has your credit card debt...? (Reporting “Increased” responses.)	25%	28%	21%	18%	25%	21%
Q1 2022 Survey: Credit card debt remained around same level in the past three months.						

About Primerica’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 March 4 through 8, 2022. Using Dynamic Online Sampling, Change Research polled 980 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 2018 American Community Survey published by the U.S. Census. The margin of error is 3.7%.

About Primerica, Inc.

Primerica is a leading provider of financial services to middle-income households in the United States and Canada. Licensed financial representatives educate Primerica clients about how to prepare for a more secure financial future by assessing their needs and providing appropriate products like term life insurance, mutual funds, annuities, and other financial products. Primerica insured over 5.7 million lives and had over 2.7 million client investment accounts as of December 31, 2021. Primerica was the #2 issuer of Term Life insurance coverage in the United States and Canada in 2021 through its insurance company subsidiaries. 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”.

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