

SURVEY: Middle-Income Americans' Credit Card Debt Steadily Increasing Amid Inflation

More families using credit cards, tapping savings as cost of living rises

DULUTH, Ga.--(BUSINESS WIRE)--

Primerica, Inc. (NYSE: PRI), a leading provider of financial services in the United States and Canada, released its [Middle-Income Financial Security Monitor](#) for the third 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 are increasingly taking on credit card debt as the vast majority (75%) report their income is falling behind the cost of living. That's despite cutting back on non-essential spending or putting off regular home or car maintenance.

"We are seeing an increasing reliance on credit with many middle-income families reporting that their credit card debt has recently increased," said Glenn J. Williams, CEO of Primerica. "Financial stress brought on by rising credit card balances also has more families than ever before making only the minimum payments on their credit cards. With this and the cost of living continuing to rise, it is particularly important for families to get expert financial guidance to help mitigate the impact of this rising debt."

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

- **Credit card debt on the rise.** More than one-third (37%) report taking on more credit card debt, a 6-point increase since June's survey and the highest number since quarterly data tracking began July 2020. About one-fifth (21%) say they are making only the minimum payment on their balance each month, the highest percentage in the survey's history.
- **Shifts in spending and saving.** Three-quarters (75%) report cutting back on non-essentials; nearly half (47%) are cutting back or pausing on saving; more than two-fifths (43%) are putting off regular maintenance on their car or home; about one-third (34%) are tapping their savings; and nearly one-third (29%) report using their credit cards more.
- **Positive outlook down over past two years.** Overall, more than half (53%) rate their current financial situation as excellent or good. However, that number is down 11 percentage points from 64% in September 2020. Additionally, the percentage of respondents who feel positive about their ability to save for the future is down 20 percentage points over the past two years, falling from 45% in September 2020 to just 25% today.
- **Lack of money continues to stall retirement savings.** Of respondents without an IRA or retirement savings plan through work, more than half (52%) say they can't

afford to save for retirement, the highest percentage since the survey began. In addition, less than one-fifth (19%) believe they have enough saved to retire comfortably, down 12 percentage points from nearly one-third (31%) in September 2020.

Topline Trends Data

	Sep. 2022	Jun. 2022	Mar. 2022	Dec. 2021	Aug. 2021	Apr. 2021	Dec. 2020
<p><i>How would you rate the condition of your personal finances? (Reporting “Excellent” and “Good” responses.)</i></p> <p>Q3 2022 Survey: Confidence in personal finances has trended downward since April 2021.</p>	53%	54%	60%	64%	65%	67%	57%
<p><i>Overall, would you say your income is...? (Reporting “Falling behind the cost of living” responses.)</i></p> <p>Q3 2022 Survey: Concern about meeting increased cost of living is still up.</p>	75%	75%	67%	68%	65%	56%	59%
<p><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></p> <p>Q3 2022 Survey: About the same percentage have an emergency fund that would cover an expense of \$1,000 or more.</p>	60%	61%	62%	60%	65%	66%	56%
<p><i>How would you rate the economic health of your community? (Reporting “Not so good” and “Poor” responses.)</i></p> <p>Q3 2022 Survey: The economic health of communities improved modestly.</p>	55%	58%	52%	50%	54%	52%	57%

How would you rate your ability to save for the future? (Reporting “Not so good” and “Poor” responses.) Q3 2022 Survey: Over 70% feel it will be difficult to save for the future, an increase from previous surveys.	73%	72%	66%	62%	63%	58%	65%
In the past three months, has your credit card debt...? (Reporting “Increased” responses.) Q3 2022 Survey: Credit card debt is at the highest point in Monitor history.	37%	29%	25%	28%	21%	18%	25%

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 September 2-5, 2022. Using Dynamic Online Sampling, Change Research polled 1,546 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 2020 American Community Survey published by the U.S. Census. The margin of error is 2.8%.

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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