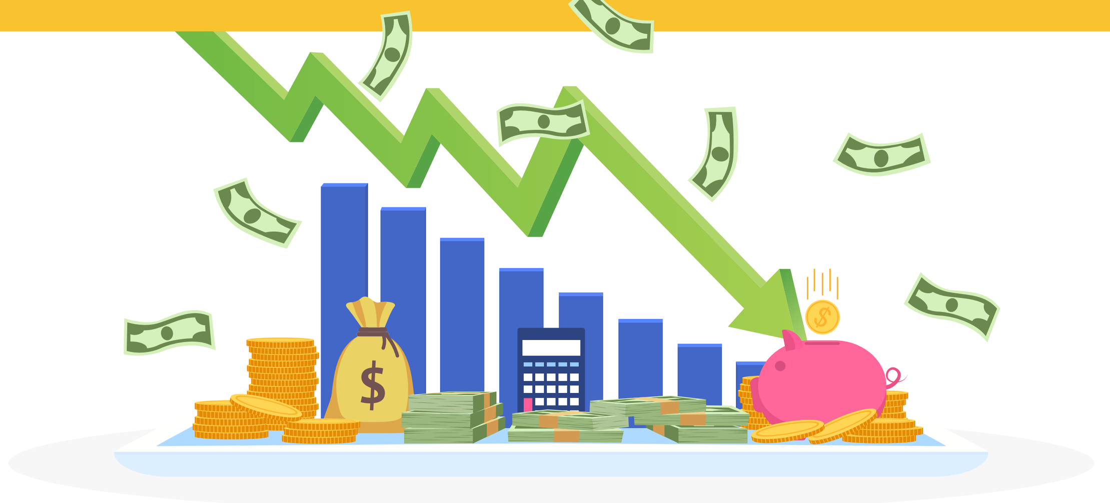
The Immediate Financial Impact of the COVID-19 Pandemic

Since the beginning of this year, millions of Americans have faced mounting financial challenges as they sheltered in place. A survey from the National Foundation for Credit Counseling® (NFCC®) and BAI highlights the possible impact of the coronavirus pandemic in the months following the NFCC 2020 Consumer Financial Literacy Survey, conducted in March and sponsored by Discover. The Harris Poll conducted both surveys to track key areas of personal finance behavior and knowledge among American adults.



U.S Adults made immediate changes to their spending and saving habits.

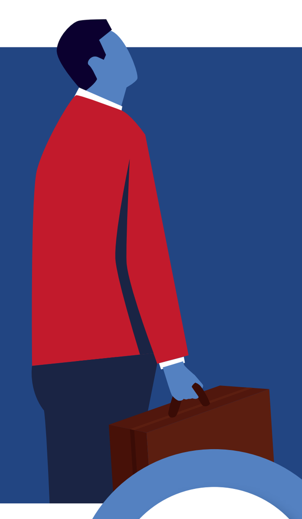
41% of U.S. Adults say they are now spending less compared to one year ago, which is nearly 2x as many as in March 2020 (22%).

35% say they are saving more as compared to one year ago.

23% are saving less, which has also increased since March (18%).

Some may be spending less and saving more because they are worried about their financial stability over the coming months. Others may be saving more because they are in quarantine and not spending what they usually would going out. While another population is saving less likely because they are facing a reduction in income or even unemployment.

More than half of Americans are finding it difficult to minimize debt.



More U.S. Adults say they are **most worried about losing their job** than in March 2020 (8% vs. 6%)

55% of Americans find it **difficult to minimize their debt**, most commonly due to reduction of income (22%), significantly more than in March (19%).

The latest findings draw attention to the **divergent realities faced by renters and homeowners** in the midst of the COVID-19 outbreak.

Renters are more likely than homeowners to have financial worries.

76% Renters

61% Homeowners

Overall, the gap between renters and homeowners as it relates to financial worries has grown since the pandemic reached the United States.

47% The pandemic impacted the personal finances of nearly half of all U.S. Adults.

Of those affected:

40% used savings for daily expenses.

24% increased their credit card spending.

21% applied for unemployment benefits.

58% Urban

44% Suburban

38% Rural

Urban residents are more likely than Suburban and Rural residents to say the pandemic has affected their personal finances.

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