The Immediate Financial Impact of the COVID-19 Pandemic

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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 would usually going out. While another population is saving less likely because they are facing a reduction in income or even unemployment.

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 has increased since March (32%).

35% of U.S. Adults say they are now saving more compared to one year ago, which has also increased since March (29%).

23% are losing jobs, which has also increased since March (19%).

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 (53%), which has increased since March (40%).

52% of Americans find it difficult to minimize their debt, most commonly due to reduction of income (22%), significantly more than in March (19%).

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 survey found that many adults are facing key areas of personal finance behavior and knowledge among American adults.

Renters are more likely than homeowners to have financial worries.

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

76% of renters are finding it difficult to minimize debt compared to 65% of homeowners.

76% of renters are finding it difficult to minimize their debt, most commonly due to reduction of income (22%), significantly more than in March (19%).

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

47% of U.S. Adults say they have used savings for daily expenses.

24% applied for unemployment benefits.

21% say they have increased credit card spending.

21% say they have decreased discretionary spending.

Of those affected:

40% said they lost income.

58% used savings for daily expenses.

26% applied for unemployment benefits.

44% increased credit card spending.

38% decreased discretionary spending.

Renters are more likely than homeowners to have financial worries.

28% of renters are finding it difficult to minimize debt compared to 23% of homeowners.

35% of renters are finding 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.

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

Renters Homeowners

Renters

61%

76%

Homeowners

40%

55%

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