

Bankrate

One-Third of Americans Have More Credit Card Debt Than Emergency Savings

For the first time since 2022, Americans who have grown their savings over the previous 12 months outnumber those who have depleted their savings

NEW YORK - February 13, 2025 - According to a new Bankrate survey, one-third of Americans (33%) say they have more credit card debt than emergency savings, down from 36% in both 2024 and 2023. Still, this number remains notably higher than the 21%-29% range in Bankrate polling between 2011 and 2022.

For more information: <https://www.bankrate.com/banking/savings/emergency-savings-report/>

Just more than half of Americans (53%) say they have more emergency savings than credit card debt while 13% say they have no credit card debt but also do not have emergency savings.

For the first time since 2022, when Bankrate first asked this question, more Americans report having increased rather than decreased their emergency savings from one year ago. This year, 30% say they have more emergency savings now compared to one year ago, while 27% say they have less. The share of Americans who have increased their savings is equal to last year, but up from 26% in 2023 and 24% in 2022. Meanwhile, the 27% reporting they have less savings now is down from 32% in 2024, 39% in 2023, and 34% in 2022.

“The number of households reporting more savings than one year ago has been steadily increasing since we began measuring it in 2022, and for the first time exceeds those reporting less savings than the prior year,” said Bankrate Chief Financial Analyst Greg McBride, CFA. “This is evidence that as the pace of inflation has slowed, it has enabled more Americans to make progress in building, or rebuilding, their emergency savings.”

Comparing generations, 50% of younger millennials (ages 29-35) say they have more credit card debt than emergency savings, followed by 39% of Gen X (ages 45-60), 35% of older millennials (ages 36-44), 27% of Gen Z (ages 18-28), and 13% of older baby

boomers (ages 71-79). Gen Z is the most likely to have no credit card debt and no emergency savings (24%), compared to their cohorts.

As for how Americans are prioritizing credit card debt and emergency savings, 35% say they are prioritizing both at the same time, while 28% are prioritizing just emergency savings and 24% are prioritizing just credit card debt. Prioritizing both credit card debt and emergency savings was notably higher among Gen Z (39%), millennials (39%; ages 29-44), and Gen X (38%) than baby boomers (25%; ages 61-79).

“With more than one-third of Americans prioritizing both emergency savings and credit card debt, it underscores how many households are in the position of having both high-cost credit card debt and being under-saved for emergencies,” added McBride.

“Dispatching with costly credit card debt and boosting emergency savings are two big steps toward building a more stable financial foundation.”

Methodology:

This study was conducted for Bankrate by SSRS on its Opinion Panel Omnibus platform. The SSRS Opinion Panel Omnibus is a national, twice-per-month, probability-based survey. Data collection was conducted from January 3 – January 5, 2025 among a sample of 1,077 respondents. The survey was conducted via web (n=1,047) and telephone (n=30) and administered in English (n=1,048) and Spanish (n=29). The margin of error for total respondents is +/-3.8 percentage points at the 95% confidence level. All SSRS Opinion Panel Omnibus data are weighted to represent the target population of U.S. adults ages 18 or older.

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