



More Than Half Regret Their Emergency, Retirement Savings Concerning the Pandemic

Top priority going forward is to pay down debt

New York – June 18, 2020 – Amid the coronavirus pandemic, U.S. adults are feeling regret over their lack of emergency and retirement savings, according to a new study from Bankrate.com. More than half feel some level of remorse over their emergency savings (55%) and retirement savings (54%). For more information, click here:

<https://www.bankrate.com/surveys/coronavirus-and-financial-regrets/>

Saving for emergencies and saving for retirement elicit similar levels of regret among respondents. When it comes to saving for emergencies, 16% are very regretful, 22% somewhat regretful and 18 not very regretful, while for retirement savings 16% are very regretful, 23% are somewhat regretful and 15% not very regretful.

Additionally, 50% regret their income stability (including 11% who are very regretful), 49% have some level of regret over their amount of debt (including 13% who are very regretful) and 46% regret living beyond their means (including 9% who are very regretful).

Of those that say they have at least one financial regret, Americans' top financial regret concerning the Covid-19 pandemic is not having saved enough for emergencies (23%) with not having enough retirement savings (20%) ranking a close second. Further, too much debt (17%), and lack of income stability (14%) closely followed. Surprisingly, just 7% cited living beyond their means as the top regret. One in five (20%) said none of those options represented their top financial regret

Due to the pandemic, people at all income levels have found themselves out of work and relying on their savings – making it all too clear how important it is to have money set aside. Not enough emergency savings was the top financial regret for every income group experiencing some financial regret, as well as millennials (ages 24-39) and Gen X (ages 40-55). Not enough retirement savings was the top regret for those above age 55.

The tendency to list income stability as the biggest financial regret is highest for households with incomes below \$30,000 per year (19% of those with regrets), but not materially different for income levels above that, ranging from 11% for the highest income households (earning \$80,000 and over) to 13% for households with incomes from \$30,000-\$49,999 per year.

Financial priorities moving forward

Looking ahead toward getting their finances in order, Americans' top financial priority is paying down debt (22%), followed by saving more for emergencies (17%). Other top priorities include, 'saving more for retirement' (12%), 'live within my means' (11%), and 'find more stable income'

(10%). 'Something else' was cited by 11%. Unfortunately, some are still figuring it out as 17% say they don't know their top financial priority.

"At first blush, the regret about lack of emergency savings and the prioritization of debt repayment may seem at odds with each other. But not so. Consumers can actually make meaningful progress on both fronts at the same time by setting up a direct deposit from the paycheck into a dedicated savings account and earmarking more discretionary dollars toward debt repayment," said Bankrate.com chief financial analyst, Greg McBride, CFA.

Paying down debt was the top financial priority among older millennials (ages 31-39), Gen X and baby boomers (ages 56-74). Among younger millennials (ages 24-30), saving more for emergencies and finding more stable income were the two most likely to be cited as the top financial priority moving forward.

Based on income, paying down debt was cited most often as the top financial priority among households with income of \$30,000 or more per year and saving more for emergencies was cited most often by those with income under \$30,000 per year.

Methodology:

Bankrate.com commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 1,343 US adults. Fieldwork was undertaken on June 3-4, 2020. The survey was carried out online and meets rigorous quality standards. It employed a non-probability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

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