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Increasing Earnings, Not Lower Spending, Is The Main Driver For Growing Emergency Savings

32% of households earning $100k or more per year report increased household earnings this year, compared to 16% earning less than $50k

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NEW YORK - November 19, 2025 - About 1 in 5 (19%) Americans reported having more emergency savings now compared to the beginning of the year, according to a new Bankrate survey. Of those who said they have more emergency savings now than they did at the beginning of the year, nearly half (47%) reported an increase in regular household earnings over the past year, while only 11% reported a decrease. In contrast, 32% of Americans reported having less emergency savings than they did at the beginning of the year, with 43% of that group reporting a decrease in household earnings and only 13% reporting an increase.

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https://www.bankrate.com/banking/savings/emergency-savings-report/

Further, 31% of Americans say they have about the same amount of emergency savings now compared to the beginning of the year and 18% say they had no emergency savings at the beginning of the year and still do not have any now. Households earning less than $50,000 annually are the most likely to say they had no emergency savings at the beginning of the year and still do not have any now (28%), compared to 9% of those earning between $50,000 and $79,999, 8% earning $100,000 or more and just 7% earning between $80,000 and $99,999 annually who say the same.

Across generations, Gen Zers (ages 18-28) are the most likely to say they have more emergency savings now than at the beginning of this year (28%), followed by millennials (19%; ages 29-44), baby boomers (15%; ages 61-79) and Gen Xers (14%; ages 45-60). Gen Zers and millennials were the most likely to report an increase in household earnings (27% and 26%, respectively), followed by Gen Xers (22%) and baby boomers (13%). Conversely, 28% of Gen Xers report a reduction in household earnings this year, followed by 26% of millennials, 24% of baby boomers and 19% of Gen Zers.

Additionally, men are more likely than women to report both having more emergency savings now compared to the start of the year (21% vs. 16%, respectively) and an increase in their regular household earnings over the past year (24% vs. 19%).

Households earning over $100,000 or more annually are also more likely to report an increase in regular earnings (32%) compared to those making between $80,000 and $99,999 (25%), followed by those earning between $50,000 and $79,999 (22%) and those earning less than $50,000 annually (16%).

“This data strongly supports the current K-shaped economy narrative,” said Bankrate Financial Analyst Stephen Kates, CFP. “Higher earners simply have an edge over those making less, with rising income being the most important factor for being able to maintain and boost emergency savings over time.”

Rising debt levels continue to weigh on Americans’ ability to save. Those Americans who say they have less emergency savings now than they did at the beginning of this year are more likely to see their debt levels rise:

Increased Amount of Debt Over the Past Year	**Americans Overall**	**Americans With More Emergency Savings Now vs. Beginning of 2025**	**Americans With Less Emergency Savings Now vs. Beginning of 2025**
Credit Card Debt	26%	21%	39%
Debt Related to a Job Loss	16%	14%	25%

Americans who have more emergency savings now compared to the beginning of the year are more likely to say they increased their spending on both big-ticket items (e.g. car, boat, home purchase, etc.) and major life events (e.g. new baby, family member starting college, medical issue, wedding, divorce, death in the family, etc.) in the past year, while those who have less emergency savings now compared to the beginning of the year are more likely to say they increased spending on basic necessities:

Increased Spending in the Past Year	**Americans Overall**	**Americans With More Emergency Savings Now vs. Beginning of 2025**	**Americans With Less Emergency Savings Now vs. Beginning of 2025**
On Basic Necessities	58%	59%	69%
On Big-Ticket Items	15%	25%	14%
On Major Life Events	24%	32%	30%

“While controlling spending is important, nothing compares to simply having more money to contribute to the cause,” Kates added. “It’s still important to understand where your money goes and look for ways to control spending, but focusing on increasing your income is often even more impactful. Taking on additional work, learning in-demand skills, or finding opportunities to advance in your career can improve your financial situation far more than cutting out your daily coffee run.”

Methodology:
Bankrate commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. The total sample size was 2,481 U.S. adults. Fieldwork was undertaken between October 14-16, 2025. The survey was carried out online and meets rigorous quality standards. It gathered a non-probability-based sample and employed demographic quotas and weights to better align the survey sample with the broader U.S. population.

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