



Just 30% of Americans Say They Would Pay an Emergency Expense of \$1,000 From Savings

More than half (54%) of Americans say inflation is causing them to save less

NEW YORK - January 21, 2026 - Years of high inflation, resulting in ongoing affordability challenges, continue to translate to savings challenges for Americans. Just 30% of Americans say they would pay an emergency expense of \$1,000 or more from savings, while 17% say they would rely on their regular income or cash flow. Overall, fewer than half (47%) of Americans indicate they have sufficient liquidity or access to funds to cover a \$1,000 emergency expense.

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Further, 33%* of Americans say they would go into debt to pay a \$1,000 emergency expense, either by using a credit card and paying it off over time (17%), borrowing from family or friends (12%), or taking out a personal loan (3%). Another 10% say they would reduce spending on other things to cover a \$1,000 emergency expense and 9% said they would handle the expense by doing “something else.”

The number of Americans who say they would use savings to cover a \$1,000 emergency expense is similar for baby boomers (ages 62–80) at 33% and Gen Zers (ages 18–29) at 31%, with both more likely than Gen Xers (29%; ages 46–61), and millennials (27%; ages 30–45). Baby boomers are more likely to rely on their regular income or cash flow to cover a \$1,000 emergency expense at 24% compared to 18% of Gen Xers, 15% of millennials, and just 11% of Gen Zers.

“Most folks in America live paycheck-to-paycheck,” said Bankrate Senior Economic Analyst Mark Hamrick. “This either results in, or coincides with, a lack of liquidity (think: access to cash) and lack of ability to achieve success with other key financial goals such as paying down debt, saving for emergencies, and for retirement.”

Despite inflation cooling from pandemic-era highs, many are still feeling the weight of high prices on their wallets and ability to save. Over half (54%) of Americans say they are saving less for unexpected expenses because of inflation, while 26% blame changing income/employment, and 17% point to recent interest rate cuts. Over half of

baby boomers (59%), Gen Xers (56%) and millennials (56%) point to inflation as the reason they are saving less, compared to 44% of Gen Zers.

When considering how the loss of a primary source of household income would impact their finances, a majority of Americans (68%) say they would be worried, including 43% who would be “very” worried, that they would not be able to cover their immediate living expenses over the next month. On the other hand, 29% say they would not be worried, including 17% who would be “not too worried” about covering immediate living expenses if they were to lose a primary source of income, while 12% say they would “not be at all worried.”

“The most prudent path to success with short-term savings and conquering financial anxiety doesn’t involve big moves. It requires small steps,” Hamrick added. “Aim for an initial target of \$500 in emergency savings, then automate your deposits, and park your cash in a high-yield savings account where it helps your nest egg to grow. Eventually, having funds to cover three-to-six months of expenses is the recommended target.”

Methodology:

This survey has been conducted using an online interview administered to members of the YouGov Plc panel of individuals who have agreed to take part in surveys. All figures, unless otherwise stated, are from YouGov Plc. The total sample size was 2,564 U.S. adults. Fieldwork was undertaken between December 2-8, 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.

*Net. calculations are done using non-rounded numbers

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