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Fewer Americans Believe Their Finances Will Improve In 2026, While The Number of Americans Who Believe Their Finances Will Get Worse Hits A New High

Americans' top financial goals are to pay down debt and find a higher-paying job; high inflation is the top roadblock

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NEW YORK - December 15, 2025 - One in three (34%) Americans say they believe their personal finances will get better in 2026, including 11% who believe it will get significantly better. This is down from 44% who said in a 2024 survey that they expected their finances to get better in 2025 and 37% who said the same in 2023, and matches the level in 2022. About one-third (32%) believe their finances will get worse in 2026, the highest level since 2018 when Bankrate began asking this question, while 34% believe their finances will be about the same.

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Overall, younger generations are more optimistic about their finances in 2026. Gen Zers (46%; ages 18-28) and millennials (40%; ages 29-44) are more likely to believe their finances will improve in 2026 compared to Gen Xers (31%; ages 45-60) and baby boomers (25%; ages 61-78). Comparatively, baby boomers (38%) and Gen Xers (34%) are more likely to believe their personal finances will get worse compared to 28% of Gen Zers and 27% of millennials.

Along party lines, Democrats and Independents are more likely to believe their finances will worsen next year (both 37%) when compared with 18% of Republicans. On the other hand, 44% of Republicans said their finances will improve in 2026, while 30% of Democrats and 27% independents said the same. Additionally, men are more likely than women to believe their finances will improve next year (37% vs. 31%, respectively).

Among those who believe their personal finances will get better in 2026, the top reason is rising income (47%), followed by better spending habits (40%) and having less debt (37%). Other reasons include making more money from savings or investments (30%), a change in life circumstances (21%; e.g., family, health), lower levels of inflation (20%), the work done by elected representatives (15%) and changing interest rates (12%), while 6% cite some other reason.

Of those who believe their personal finances will not improve next year, the top reason by a wide margin is continued high inflation (65%). Other reasons include work done by elected officials (39%), stagnant or reduced income (36%), the amount of debt they have (20%), a change in life circumstances (17%), changing interest rates (14%), money made from savings or investments (13%) and bad spending habits (9%), while 8% cite some other reason.

“Inflation fatigue is real, as Americans prepare to flip the calendar but cannot turn the page,” said Bankrate Senior Economic Analyst Mark Hamrick. “A declining sense of economic optimism comes as the job market has cooled, and inflation has remained persistent, with prices broadly still elevated. Facing these continued pressures, many are focused on paying down debt, boosting income, and saving more for emergencies.”

Looking ahead, more than 4 in 5 Americans (85%) have a main financial goal for 2026. The most common financial goal for next year is paying down debt (19%), followed by getting a higher-paying job or additional source of income (14%) and saving more for emergencies (13%). Other financial goals include budgeting their spending better (12%), investing more money (8%), saving for retirement (8%), saving for a non-essential purchase (5%) and buying a home (3%). Additionally, 5% said they do not know, 3% said they have some other financial goal, while 10% said they do not have a financial goal.

Across generations, Gen Zers and millennials cited most often the goal of getting a higher-paying job or an additional source of income (25% and 17%, respectively), while Gen Xers and baby boomers were most likely to select paying down debt (24% and 25%, respectively). Notably, baby boomers are the most likely to say they do not have any financial goals for 2026 (14%).

Of those who have a main financial goal for 2025, 44% say it is an immediate priority, citing it as a New Year’s resolution they will address right away, while 35% say it is a medium-term issue they will address once they have time to think and plan and 12% say it is a long-term issue they will address after they have had time to research or seek advice. Just 9% say they don’t know how they expect to address their main financial goal in the coming year.

“That more senior Americans are most focused on attacking their debt levels shows how costly and pernicious debt can be,” Hamrick added. “Particularly the highest cost debt, which results from credit cards. While the Federal Reserve has been cutting interest rates, credit card interest rates remain stubbornly high. It is prudent to shed this debt where possible."

Methodology:
Bankrate commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. The total sample size was 2,539 U.S. adults. Fieldwork was undertaken between November 3-5, 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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