



31% Think Stimulus Checks Won't Sustain Them for One Month

Half say the payment is very important to their near-term financial situation

NEW YORK – April 8, 2020 – Nearly one-third (31%) of U.S. adults who anticipate receiving a stimulus check as part of the CARES Act believe that the money would not be enough to sustain their financial well-being for one month, according to a new Bankrate.com report. This group includes 8% who don't think it would allow them to sustain their financial well-being at all. Additionally, half of those who believe they will be receiving stimulus money say it is very important to their near-term financial situation. Click here for more information:

<https://www.bankrate.com/surveys/coronavirus-and-stimulus-checks/>

Of those that anticipate receiving a stimulus payment, just under one-third (32%) think the monetary influx would help sustain their financial well-being from one month to less than three months. 11% think it would maintain them from three months to less than five months, and another 11% believe it would help preserve their financial well-being for at least five months. Another 14% are unsure of how long they will be able to sustain their financial security.

Four in 10 households earning \$80,000 or more per year who expect stimulus money don't think the amount would sustain them for one month, including 13% who don't believe it would help at all. Meanwhile, 27% of those who make less than that are concerned with the money lasting one month (6% don't think it would help at all).

Overall, 80% of those who anticipate receiving a payment say it would be either very important (50%) or somewhat important (30%) to their near-term financial situation. Just 12% say it is not very important and 5% say it is not important at all.

Nearly 7 in 10 (69%) of the lowest income households (under \$30,000/year) say the payment is very important to their near-term financial situation, compared to 36% of the highest income households (\$80,000/year and up). Ten percent of the highest income households say the payment is not at all important, while just 4% of the lowest income households say the same.

Additionally, more than half (55% each) of millennials (ages 24-39) and Gen Xers (ages 40-55) say receiving a check would be very important to their near-term financial situation, compared to 43% of baby boomers (ages 56-74).

“Even before the pandemic forced the economy to a standstill, just 41% of Americans were able to pay for an unplanned expense of \$1,000 from savings. This payment will not be a financial panacea, but it is sorely needed by millions of households,” said Bankrate.com chief financial analyst, Greg McBride, CFA.

Half of those who anticipate receiving a stimulus check think they would use the payment to help pay monthly bills such as rent/mortgage or utilities. Other common plans include paying for day-

to-day essentials like food, medicine or supplies (41%), adding the money to savings (30%), and using it to help pay down debt (25%). Less common plans include putting it toward discretionary/non-essential spending, such as booking a vacation, buying concert or sports tickets for later this year (8%), investing it (7%), or something else (7%). Six percent don't know how they would use it.

“For those already suffering from income disruptions, the payment will be needed for day-to-day essentials and monthly obligations,” added McBride. “Otherwise, padding the emergency savings is a much-needed step for many households.”

Methodology:

Bankrate.com commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 1,465 adults, including 994 who anticipate receiving a stimulus check as part of the CARES Act. Fieldwork was undertaken March 30-31, 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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