

## Nearly 1 in 5 Has Diminished Savings Since Start of Coronavirus

*30% have seen their household income decrease*

New York – May 13, 2020 – Thirty percent of U.S. adults have seen their household income decrease as a direct result of the coronavirus outbreak, according to a new Bankrate.com report. Additionally, nearly 1 in 5 (19%) have less emergency savings now than before the pandemic, while 16% have taken on more debt. Troublingly, despite a more-than-decade-long economic expansion and record low unemployment, an additional 24% had no emergency savings heading into the pandemic and have not made progress since. Click [here](#) for more information:

<https://www.bankrate.com/surveys/coronavirus-savings-and-debt-insights/>

On a more positive note, 58% have not seen any change in their household income, and 12% saw it increase. Meanwhile, 19% have more emergency savings, 12% have less personal debt and 22% had no debt before and no debt now.

Of the 3 in 10 whose household incomes have decreased, 36% have dipped into emergency savings, more than three times as many as those whose income has increased or stayed the same (11%). Only 9% whose household income decreased have added to their emergency savings, while 26% have added to their debt. Just 8% have paid down existing debt during this time.

Despite positive income gains, under half (48%) of households with increased income levels have added to their emergency savings. Twelve percent have less, and 15% still have no savings at all. Furthermore, just 14% who have seen an income increase have less debt now, and 32% have more debt.

While every generation was more likely to report a decrease in income rather than an increase, millennials (ages 24-39) are more than twice as likely as those who are older (18% vs. 8% of those ages 40+) to report an income increase. Thus, 24% of millennials have more savings now, versus 19% of Gen Xers (ages 40-55) and 14% of baby boomers (ages 56-74). Millennials are, however, more likely to have added to their debt (21%) than Gen Xers (19%) and baby boomers (12%).

The coronavirus pandemic has hit the Northeast particularly hard, with 36% of Northeasterners having watched their income decrease, compared to 31% in the West, 29% in the Midwest, and 28% in the South. People in the Northeast are also more likely to have increased debt (20%) than those in the West (17%), South (15%) and Midwest (13%).

“The pandemic is deepening the financial hardship for millions of Americans, with nearly one-third of households reporting lower income since the start,” said Bankrate.com chief financial analyst Greg McBride, CFA. “The financial legacy of this pandemic will be elevated unemployment, reduced household incomes, more debt and even less savings.”

### **Methodology:**

Bankrate.com commissioned [YouGov Plc](#) to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,653 adults. Fieldwork was undertaken on April 29 – May 1, 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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