

# Bankrate

## Americans With More Credit Card Debt Than Emergency Savings Remains at All-Time High

*Just 30% of households have more emergency savings now versus one year ago*

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NEW YORK - February 22, 2024 - According to a new Bankrate survey, over a third of American households (36%) have more credit card debt than emergency savings for the second consecutive year, and the highest percentage since polling began in 2011.

To read more: <https://www.bankrate.com/banking/savings/emergency-savings-report/>

On a positive note, more than half of households say their level of emergency savings exceeds their credit card debt (55%), up from 51% last year and the highest since 58% in 2018. Additionally, 10% say they do not have any credit card debt or emergency savings, the lowest in the 14 year history of the poll.

Just 30% of Americans say they have more emergency savings now compared to last year, while nearly 1 in 3 (32%) say they have less. Additionally, 29% say they have the same amount of emergency savings now compared to last year, while 9% say they have no emergency savings this year and did not have any last year.

“At a time of record high credit card rates, we see a record high number of Americans carrying credit card debt that exceeds their emergency savings” said Bankrate Chief Financial Analyst Greg McBride, CFA. “Financing purchases at 20% interest rates is a sign of the financial strain millions of households are feeling.”

When looking at generational trends, Gen Xers (ages 44-59) and millennials (ages 28-43) are significantly more likely to have more credit card debt than emergency savings, at 47% and 46% respectively, compared to 32% of Gen Zers (ages 18-27) and 24% of baby boomers (ages 60-78).

Yet, baby boomers are more likely to say their emergency savings exceeds their credit card debt (68%), compared to Gen Zers (49%), Gen Xers (47%), and millennials (46%).

Americans under the age of 30 are more than twice as likely (18%) to have neither credit card debt nor emergency savings compared to those aged 30 or older (7%).

Nearly 1 in 5 of those under the age of 30 (18%) and 11% of those aged 30-49 say they lack emergency savings both now and one year ago, while just 6% aged 50-64, and 3% aged 65 and older say they lack emergency savings both now and a year ago.

As to how Americans are prioritizing credit card debt repayment and building emergency savings, nearly 2 in 5 are focusing on tackling both simultaneously (36%), the highest percentage in seven years, and trending up since 2022. 28% are prioritizing boosting emergency savings, while 25% are prioritizing paying down debt.

“Recognizing that the cost of carrying debt has increased significantly in the past two years and the insufficient level of emergency savings, more Americans are focusing on both paying down debt and boosting emergency savings simultaneously rather than one to the exclusion of the other,” McBride added. “Having a direct deposit from your paycheck into a dedicated savings account automates the savings, allowing you to channel your take home pay toward the goal of paying down debt.”

#### **Methodology:**

This study was conducted for Bankrate by SSRS on its Opinion Panel Omnibus platform. The SSRS Opinion Panel Omnibus is a national, twice-per-month, probability-based survey. Data collection was conducted from January 19 – January 21, 2024 among a sample of 1031 respondents. The survey was conducted via web (n=1001) and telephone (n=30) and administered in English (n=1005) and Spanish (n=26). The margin of error for total respondents is +/- 3.6 percentage points at the 95% confidence level. All SSRS Opinion Panel Omnibus data are weighted to represent the target population of U.S. adults ages 18 or older.

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