

Americans' Financial Security Rises, But Remains in Negative Territory

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NEW YORK, Aug. 20, 2012 /PRNewswire/ -- Americans are still feeling less financially secure than one year ago, according to Bankrate.com's (NYSE: RATE) August Financial Security Index, which was released today. The overall reading improved slightly, from 97.9 to 99.0. Readings less than 100 indicate that Americans have lower financial security than 12 months previous. The index has been below 100 in 19 of the 21 months since its inception in Dec. 2010.

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"The stock market hitting a three-month high, a better than expected July jobs report and verbal assurance from the President of the European Central Bank that they'll do 'whatever it takes' to preserve the Euro all resonated with American consumers in the 10 days preceding the polling in early August," said Greg McBride, CFA, Bankrate.com's senior financial analyst. "All five components of the Financial Security Index – job security, [savings](#), debt, net worth and overall financial situation – rose this month, but that was not enough to tip the index back into positive territory."

Job Security

- Interestingly, the highest-income households – \$75,000 per year and above – are reporting lower job security than the overall population.
- Just 21% of high-income households feel more secure in their jobs today than they did one year ago, compared with 26% of all workers.
- But, predictably, the highest-income households do feel better about the other four components of financial security – savings, debt, net worth and overall financial situation – than the general population.

Retirement Savings

- Just 18% of working Americans are saving more for retirement in 2012 than they did in 2011, comparable to 15% last year.
- Fewer people are saving less, 18% compared to 29% last year, while more than half – 55% – are saving the same as last year.
- Nine percent of Americans say they haven't contributed to a retirement account either this year or last, up from six percent last year.

The new survey was conducted by Princeton Survey Research Associates International (PSRAI) and can be seen in its entirety here: <http://www.bankrate.com/finance/consumer-index/financial-security-charts-0812.aspx>.

The PSRAI August 2012 Omnibus Week 1 obtained telephone interviews with a nationally representative sample of 1,005 adults living in the continental United States. Telephone interviews were conducted by landline (600) and cell phone (405, including 196 without a landline phone). Interviews were done in English by Princeton Data Source from August 2-5, 2012. Statistical results are weighted to correct known demographic discrepancies. The margin of sampling error for the complete set of weighted data is plus or minus 3.7 percentage points.

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