### Many Americans Pulled Back on Holiday Spending as Their Financial Security Continued to Lag

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NEW YORK, Jan. 22, 2013 /PRNewswire/ -- Twenty-eight percent of Americans spent less than expected this holiday season while just 16% spent more than expected, according to new research published today by <a href="Bankrate.com">Bankrate.com</a> (NYSE: RATE). This was consistent across most age groups, with only those under age 30 slightly more inclined to have spent more than expected.

(Logo: http://photos.prnewswire.com/prnh/20040122/FLTHLOGO)

Bankrate also announced that its Financial Security Index jumped three points to 98.6 in January (the biggest increase in 13 months) following a deal to avert the fiscal cliff. However, this is still lower than the October reading of 99.2 and is consistent with Americans' long-term feelings of deteriorating financial security. When the Financial Security Index is below 100, it indicates that Americans' financial security is lower than one year previous. The index has been below 100 in 24 of the 26 months since its inception in Dec. 2010.

"These results illustrate that the fiscal cliff was hardly the only headwind impacting the U.S. economy," said Greg McBride, CFA, Bankrate.com's senior financial analyst. "Yes, the resolution brought some temporary relief, but the economy continues to plod along in first gear. It's going to take sustained, substantive job growth in order for Americans to feel considerably better about their financial security."

## **Additional Highlights:**

- Americans' sentiment regarding their job security, savings, net worth and overall financial situation all posted increases over the past month. Job security and net worth have improved relative to one year ago.
- Higher-income and more educated households were the most inclined to report higher net worth than one year ago.
- The reading on Americans' comfort level with debt was unchanged from one month ago.
- Savings remains a sore spot: more than one-third of Americans are less comfortable with their savings now compared to 12 months ago, but just 13% are more comfortable. This disparity is evident across all age and income brackets.
- When Bankrate asked the same holiday spending question one year ago, 24% of Americans spent less than expected and 17% spent more. Two years ago, 27% spent less than expected and 19% spent more.

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-0113.aspx

PSRAI obtained telephone interviews with a nationally representative sample of 1,003 adults living in the continental United States. Telephone interviews were conducted by landline (501) and cell phone (502, including 241 without a landline phone). Interviews were done in English by Princeton Data Source from January 3-6, 2013. 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 3.6 percentage points.

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