



African Americans' Financial Outlook

A Primerica Financial Security Monitor Insights Brief



African Americans' Financial Outlook

In a recent national survey of middle-income African Americans, Primerica found respondents to be confident about their financial futures, but they're also worried about making monthly payments and eager to learn how to build good credit and manage debt. Many have never invested their savings before and would like to work with a financial professional to improve their financial situations.

Key Findings

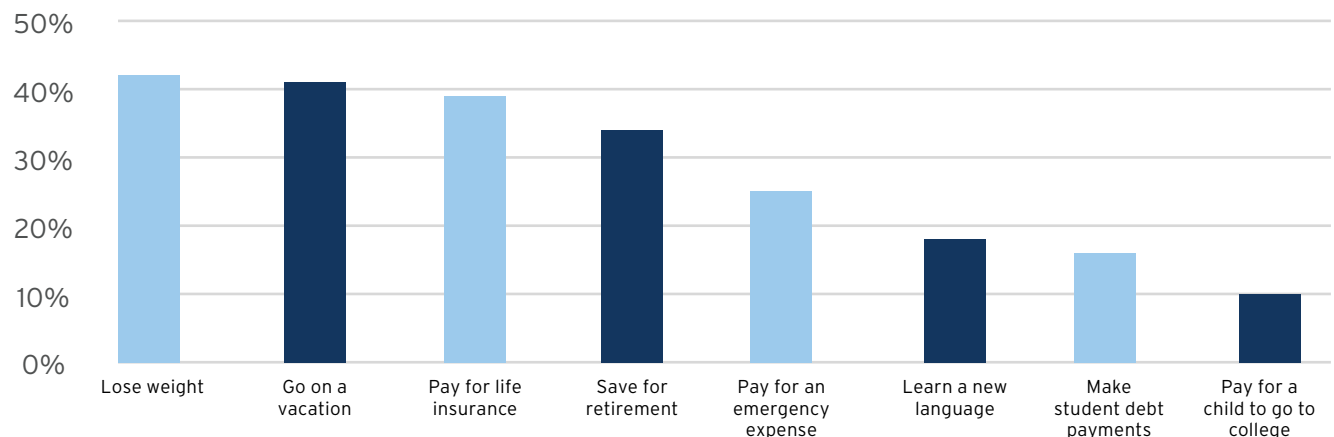
1 African Americans are optimistic about their financial futures, but they also have financial concerns today.

Our survey found that 70% of African Americans are confident their financial security will improve over the next five years, but many are also concerned about their ability to save for retirement and pay for an emergency expense. *Interestingly, more people are confident they can lose weight or learn a new language than pay for college.*

WHAT IS THE BEST CHANCE TO OBTAIN \$500,000 OR MORE IN YOUR LIFETIME?

When asked this, **35%** said saving and investing a portion of their income (the 1st most common response), and **27%** said winning the lottery or a sweepstakes (the 2nd).

Which of the following do you feel confident you could achieve?



2 Some African Americans are saving, and most want to know how to create a financial game plan.

While 50% of respondents have not yet invested their personal savings, most want to learn how they can better prepare for a more financially secure future.

The savings habits of African Americans:



25% say they save for retirement every month



16% say they make investments every month



16% say they save for a vacation

ATTITUDES ABOUT MONEY.

About one-quarter (26%) of African Americans feel “**up to the challenge**” of saving money for the future (compared to 16% of general population).

MARKERS OF SUCCESS ACROSS GENDERS.

When asked what spells success for them, men are most likely to say **owning a home**. Women are most likely to say **having a retirement savings account**.

What African Americans want to learn:



59% want to know how to invest



42% want to know how to pay off debt



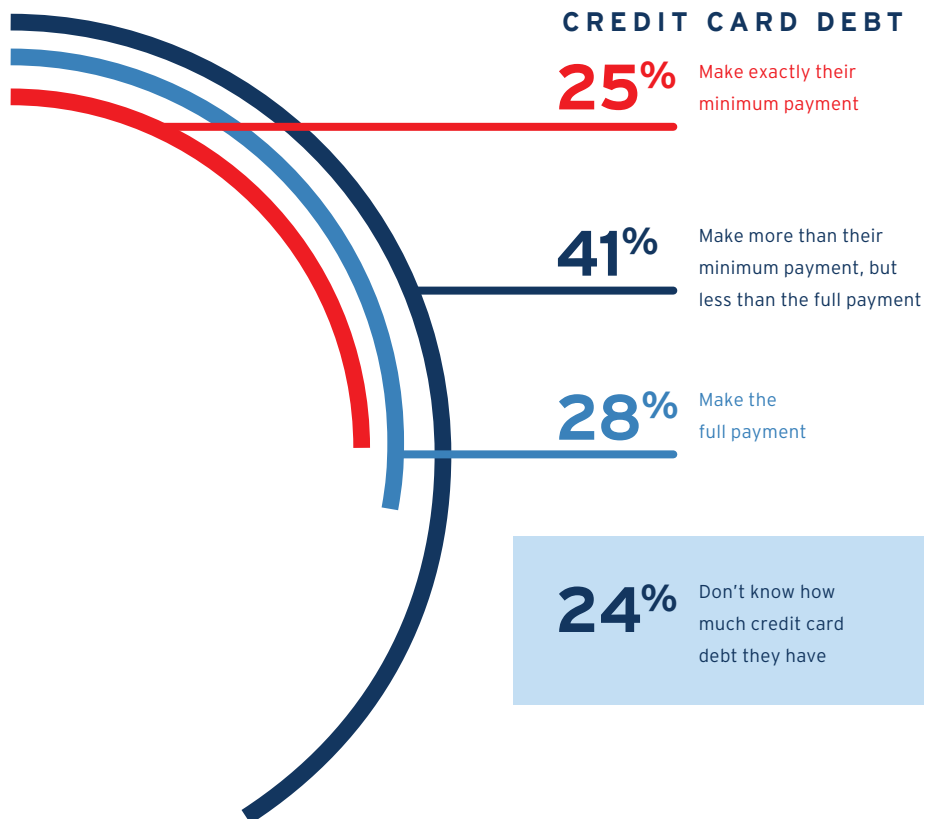
41% want to know how to budget more responsibly



38% want to know how to build and maintain good credit

3 Credit card debt is a top financial concern among African Americans.

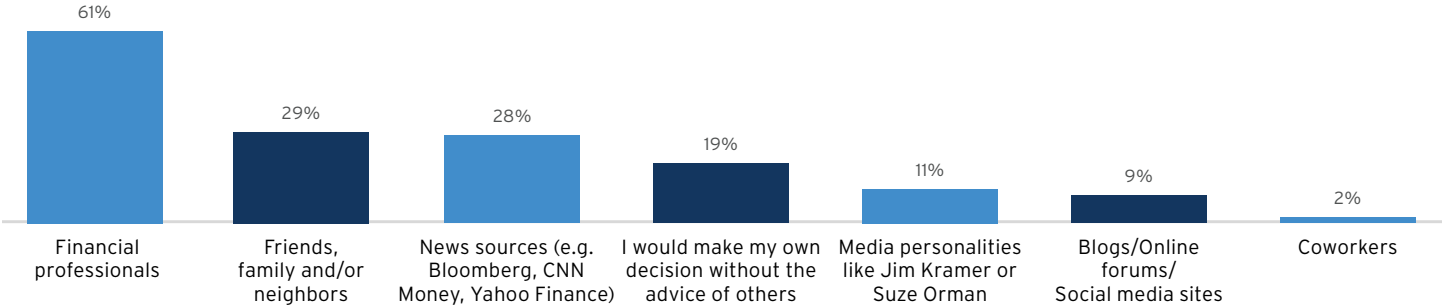
A little over half (53%) of respondents are confident they can make their credit card payments, and one-in-three (35%) would pay off credit card debt versus spending it or saving it if they had an extra \$25 every month.



4 African Americans value professional financial advice.

Six in 10 are confident in the information from financial professionals over any other source on subjects like managing debt, purchasing insurance, saving money or investing.

WHEN IT COMES TO FINANCIAL TOPICS, WHICH SOURCES WOULD YOU FEEL MOST CONFIDENT TO GIVE YOU INFORMATION?



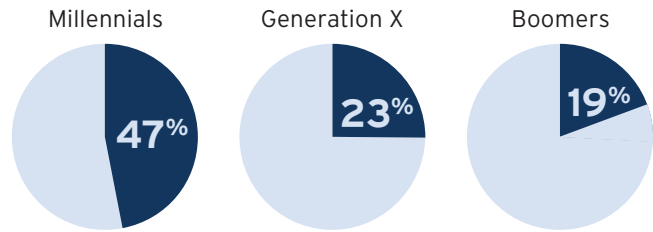
NEED FOR PROFESSIONAL ADVICE.



61%

Nearly two-thirds would choose to work with a financial professional over doing their own research if they had a major decision to make.

GENERATIONAL DIVIDE.



Almost half (**47%**) of respondents under 35 trust their friends to give them information about financial issues, compared to about one quarter (**23%**) of those between 35-54 and less than one-in-five (**19%**) among those over 55.

DIFFERENCES AMONG GENDERS.



Two-thirds (**66%**) of women would prefer to talk with a licensed financial professional rather than doing their own research ...



compared to more than half (**55%**) of men.

5 Younger African Americans have more financial stressors than boomers do.

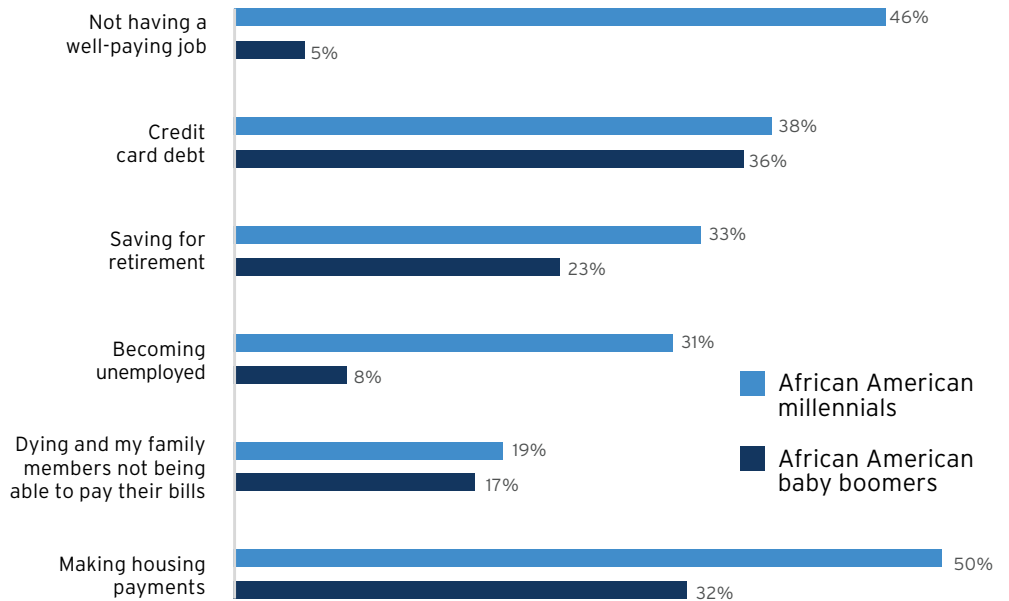
African American millennials, ages 25 to 34, are more stressed about their finances than boomers, ages 55 to 75, in nearly every category examined; however, both generations are concerned about credit card debt.

DIFFERENCES IN FINANCIAL WORRIES

77%

Younger respondents are worried about how their family would cope financially if they had a major medical expense. Only **50%** of **older respondents** say they are.

TOP FINANCIAL STRESSORS BY AGE



About the Survey

These new findings are a follow up to the previously released [2019 Primerica Financial Security Monitor](#), which provides a detailed snapshot of middle-income Americans' financial preparedness, habits and concerns.

The 2019 Primerica Financial Security Monitor was conducted by Quadrant Strategies on behalf of Primerica. The nationally representative online survey polled 1,000 Americans in February 2019 with an oversample of 250 African Americans. Respondents were ages 18 and older and had total annual household incomes between \$29,000 and \$106,000. The margin of error is about 3%.

About Primerica, Inc.

Primerica, Inc., headquartered in Duluth, Georgia, provides financial services to working families in North America. Primerica licensed representatives educate their clients about how to better prepare for a more secure financial future by assessing their needs and providing appropriate solutions through term life insurance, mutual funds, annuities and other financial products. Primerica insured approximately 5 million lives and had over 2 million client investment accounts on December 31, 2019. Primerica, through its insurance company subsidiaries, was the No. 2 issuer of term life insurance coverage in North America in 2018. Primerica stock is included in the S&P MidCap 400 and the Russell 2000 stock indices and is traded on The New York Stock Exchange under the symbol "PRI." For more information about Primerica, please visit

http://www.primerica.com/public/primerica_disclosures.html