

HOPE INSIDER

An initiative of  OPERATION HOPE

Bringing you our research, analysis, and insights into the world of financial inclusion

In the first-quarter results of Operation HOPE's most comprehensive, nationwide survey to date – *The HOPE Insider* – more than 3,500 clients shared their sentiments on housing, debt, small business, work, inflation, and general economic conditions. Our results reflect what our clients are feeling about the impact of inflation, particularly with food and housing. Below is a summary of our key findings.

1. Impact of inflation increasingly continues to be felt – forcing a reliance on savings and credit

- As a result of inflation, 43% of respondents say the greatest impact has been the inability to save money or plan for the future, while 23% have had to cut back on spending.
- 14% percent have had to take on additional work.
- 90% have seen a change in their financial wellbeing:

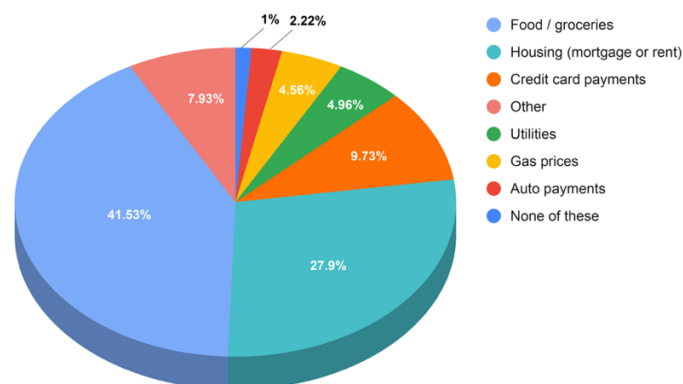
61% have had to use their savings to pay expenses

57% have seen their debt increase

45% say their credit score has gone down

More than three-fourths of participants are feeling “VERY concerned” about the impact of inflation (77%), and 95% are concerned overall. This correlates with the U.S. Census’ Household Pulse Survey during the first quarter of 2024: 83% of Americans experienced price increases in the areas where they live and shop.

Where clients are feeling the impacts of inflation the most



2. Debt still drives uncertainty

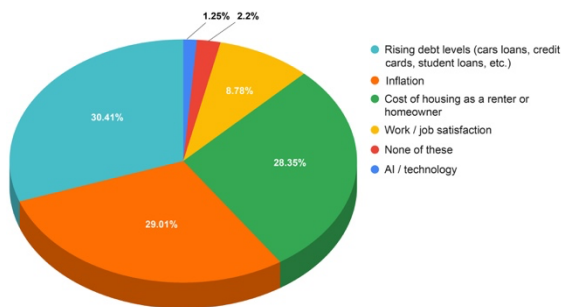
Three-quarters of participants indicated they are “VERY concerned” about their current levels of debt, referencing higher interest rates, inflation, economic instability, and personal financial strain (77% of total sample – a 10% increase from last quarter). Credit card debt remains the biggest financial burden (36%), followed by student loans (15%), mortgages (14%) and auto loans (11%).

3. Affordable housing remains elusive

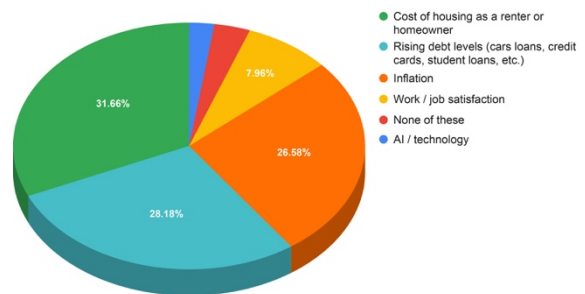
Affordable housing is respondents’ biggest source of worry for 2024 (32%). In fact, over two-thirds are “VERY concerned” about the current cost of housing in their community (67%) – this is an 11% jump from last quarter (56%). Close to half (43%) considered purchasing a home last year, but found it unaffordable.

4. Breaking it down

Factor that has most impacted life this year



Factor most worried about in 2024



5. Hope prevails, with guidance

Operation HOPE clients remain optimistic that their financial wellbeing will increase over the next year – 79% overall – a reflection of their access to Operation HOPE resources, tools, and coaching.

- Over three-fourths say their business/career situations are looking optimistic for 2024 (84%).
- 62% of participants are hopeful that business growth in their community will increase.
- Over half are hopeful that AI/technology will make their lives easier over the next year (58%).



I am optimistic that I have finally been successful in saving money – not without difficulty, but it has been worth the sacrifices. Conscious choices to live within my means has given our family a cushion to rely on in the event that inflation continues to drive prices so high.



My rent has increased 5% a year. My income doesn't cover my expenses, and my raise increases don't cover inflation percentages. I'm hoping against hope that the increase in my yearly pay will help, but I've already gone into debt this year to pay bills.



I am finally debt free thanks to the advice that I have received from Operation HOPE, and I'm able to be worry free because I actually have a rainy day fund account for an emergency.