

HOPE INSIDER

An initiative of  OPERATION HOPE

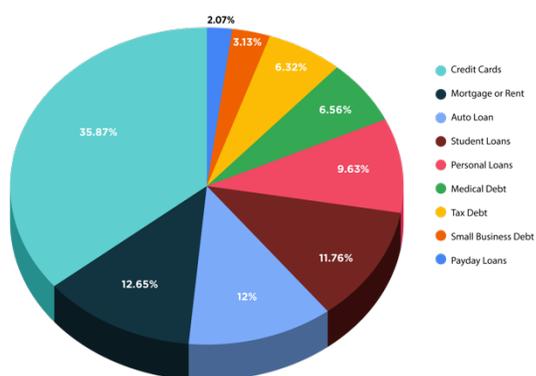
Bringing you our research, analysis, and insights into the world of financial inclusion

In the second-quarter results of Operation HOPE's most comprehensive, nationwide survey to date – *The HOPE Insider* – nearly 2,000 clients shared their sentiments on general economic conditions, their financial situations, and plans for the summer. Key findings show that participants are unsure about their economic future which is likely hinging on the political season and how soon they will feel the tangible effects of cooling inflation.

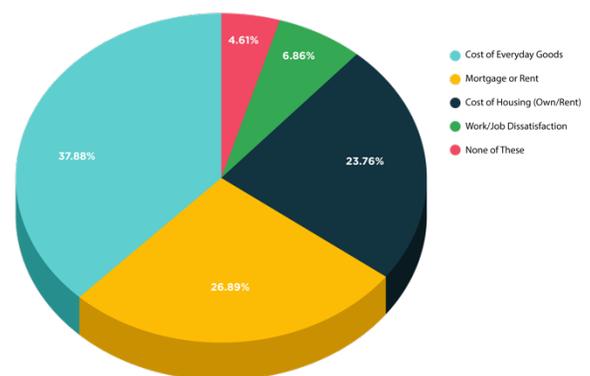
1. Personal debt has increased since last quarter

Over half say their personal debt levels have increased over the last three months (53%), with almost an additional quarter of participants (23%) saying it has stayed the same. Credit Card debt remains the most financially stressful, at 36% (shown below, left), the same as last quarter. Reliance on credit cards is heavily connected to the continued stress felt from the cost of everyday goods, rising debt levels, and cost of housing (below, right).

Type of debt that is most financially stressful



Factor that most impacted life in last 3 months



2. Summer vacations decreased this year

Over half of the participants (53%) have not taken, or are not planning to take, a vacation. Of those who are planning to, over a quarter (27%) will be spending less than \$500. Nearly half (42%) said they were planning on spending less this year versus last year, whereas only 20% said they were able to budget for more.

3. Uncertainty looms over financial ease in the future

There appears to be little faith in economic conditions improving anytime soon, with only 20% of participants reporting they believe there will be “good times” ahead financially. Thirty-four percent state they think “bad times” financially lie ahead in the coming year, while almost half (46%) are unsure. Over the next three months, cost of everyday goods is the most prominent concern of respondents, and half say it is a bad time for people to buy major household items.

4. An overwhelming number of families are living paycheck-to-paycheck

Three-quarters of participants consider themselves or their families to be living "paycheck-to-paycheck," meaning that they are not able to save money or plan for the future. Not surprisingly, this is seen more profoundly with lower-income families:

- 89% of those making less than \$25,000
- 85% of those making \$25,00 to \$49,999
- 75% of those making \$50,000 to \$74,999
- 72% of those making \$75,000 to \$99,999

Most notable is that over 50% of households making \$100,000 or more say they are living paycheck-to-paycheck, including 27% of those making above the \$200,000 threshold. This demonstrates that the “middle class” is also feeling the strain of higher costs for housing and daily goods, compounded by a lack of wage growth versus inflation.

5. Access to economic advancement is not seen as equal

An overwhelming 78% of respondents state that everyone in our country does not have equal access to the same opportunities for economic advancement, and 81% say it is important to focus on inclusion and equity of opportunity in the workplace. Only a quarter of our participants say that, based on their own experiences, they feel like they have equal access to the same opportunities for economic advancement as others.



The cost of living, including rent, utilities, food and gas, exceeds the salary of most of the population. Either these expenses need to be reduced or salaries increased to [offset] the cost of living. It is really tough to make a living and provide for yourself and your family in today's society.



As I continue to work hard, remain diligent & consistent with my monthly budget, and build my savings (all with positive and proper guidance of my HOPE Coach) I do believe that reaching my financial... goals into the next year is quite possible.



After going through the program and courses at Operation HOPE I feel very optimistic about my financial future. I know that I have a long way to go, but learning new ways to save money and minimize my debt makes me feel really good.