

2019 Planning & Progress Study

The Debt Debacle

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI and its subsidiaries.

Background

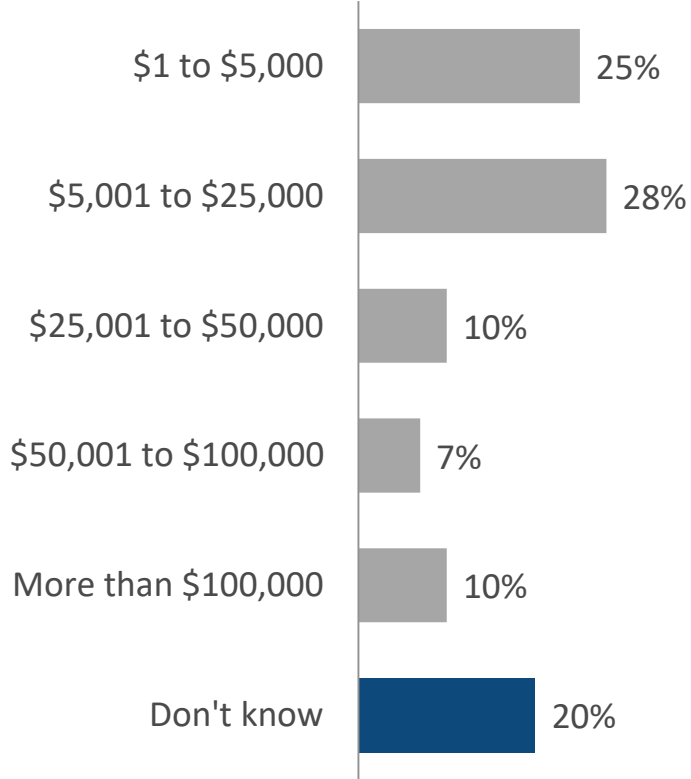
2019 marks the 10th year of the Planning & Progress Study – an annual research study from Northwestern Mutual that explores U.S. adults' attitudes and behaviors toward money, financial decision-making, and the broader issues impacting people's long-term financial security.

The study was conducted by The Harris Poll on behalf of Northwestern Mutual and included 2,003 American adults aged 18 or older in the general population and an oversample of U.S. adults age 18-22 who participated in an online survey between February 20 and March 5, 2019.

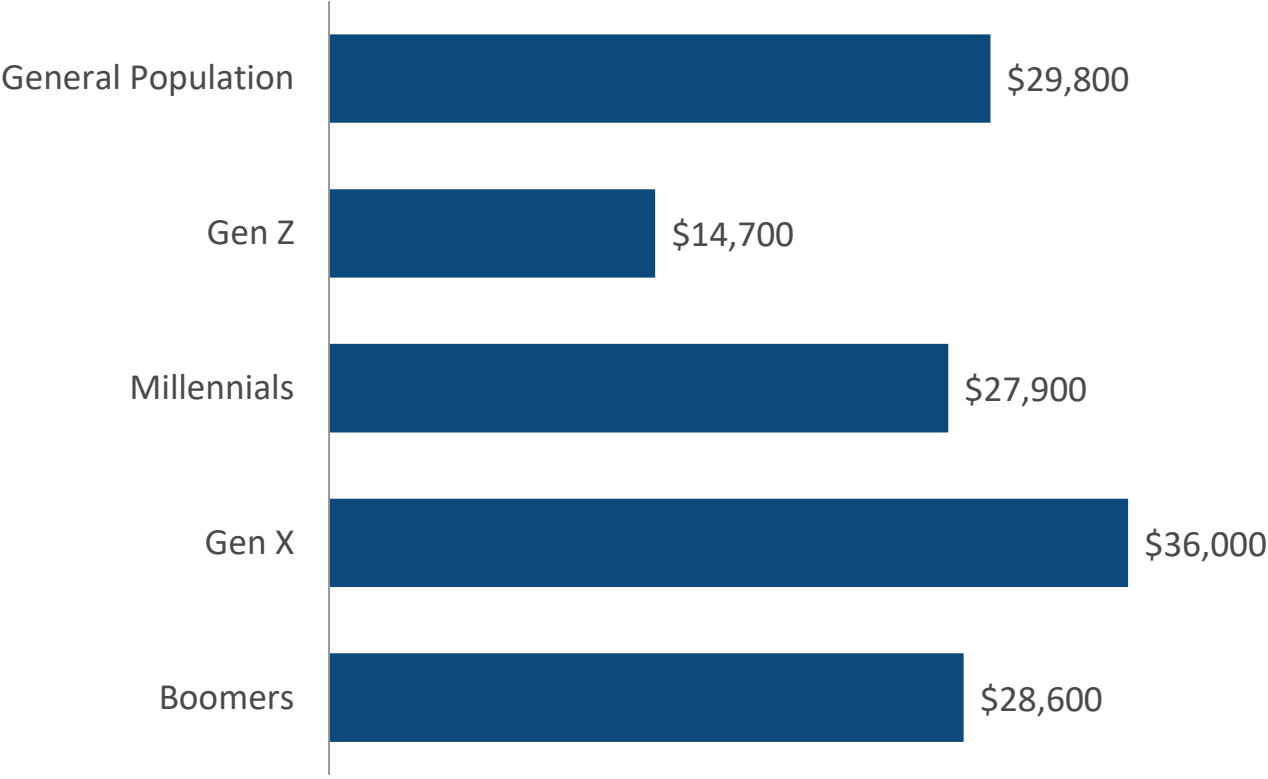
Results were weighted to Census targets for education, age/gender, race/ethnicity, region and household income. Propensity score weighting was also used to adjust for respondents' propensity to be online. No estimates of theoretical sampling error can be calculated; a full methodology is available.

Americans are carrying an average of \$29,800 in personal debt, exclusive of mortgages

Current Debt*



Average Current Debt*

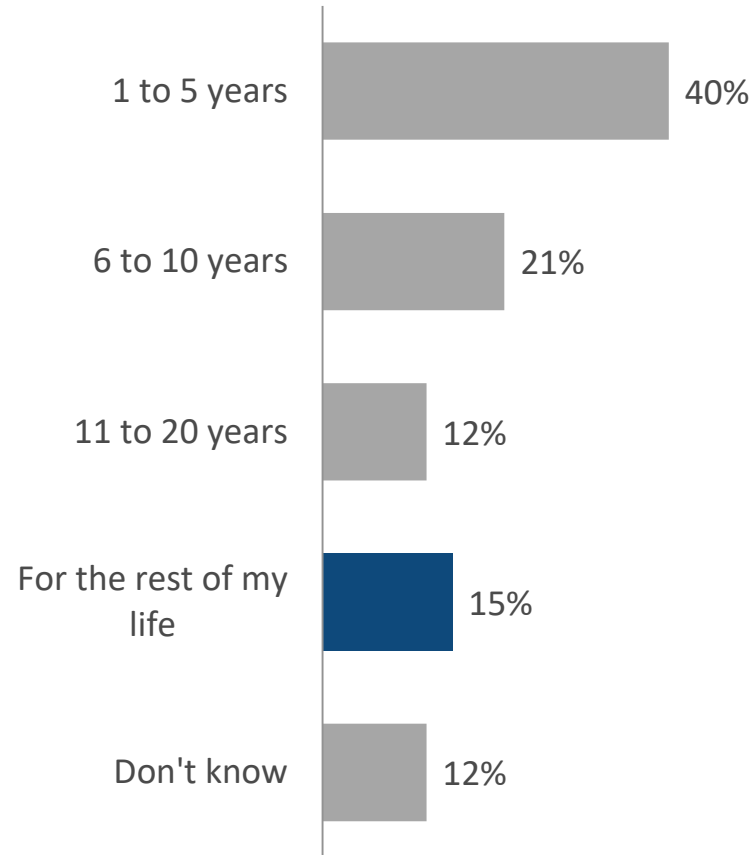


* Rounded to nearest 100

BASE: THOSE WHO USE INCOME TOWARDS DEBT – 2019 Gen Pop: (n=799)

QDB2. How much do you estimate your debt to be?

15% of Americans say they'll be in debt for the rest of their lives

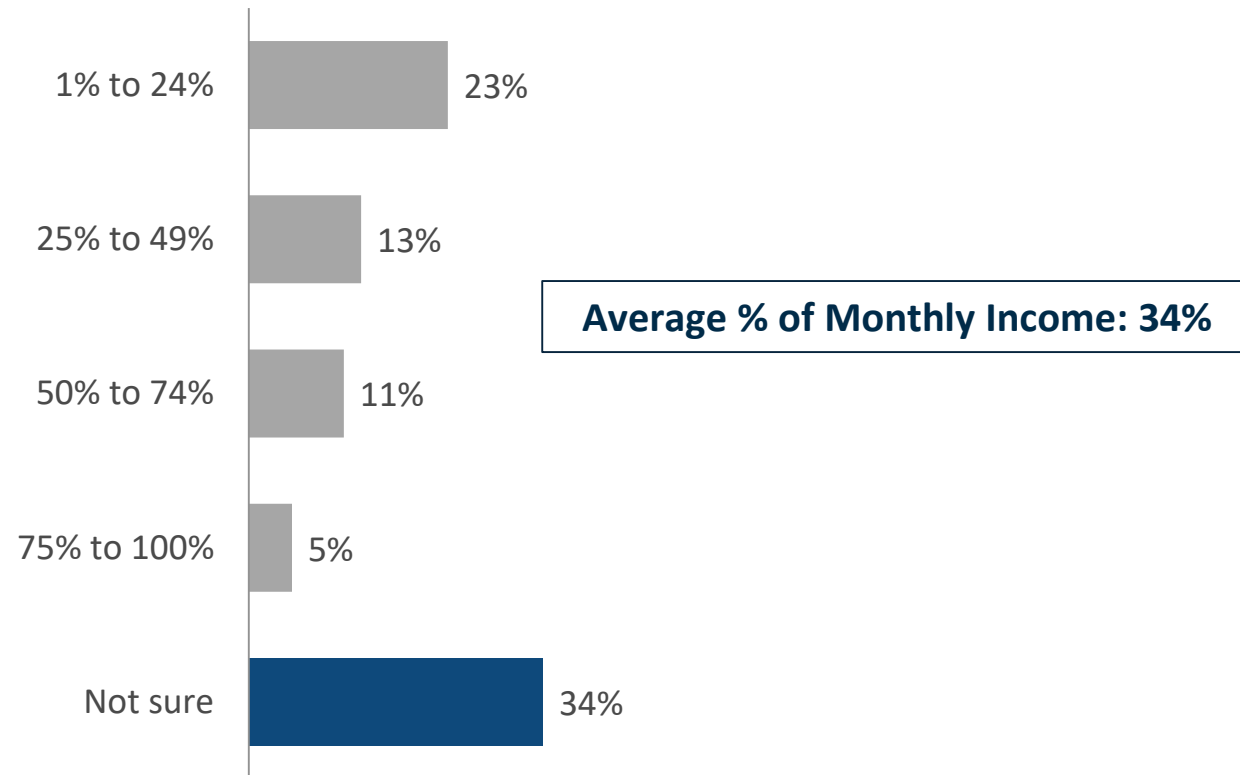


BASE: THOSE WITH SOME DEBT – 2019 Gen Pop: (n=1504)

QDB4. How many more years do you expect to be in debt?

More than 1 in 3 Americans are unsure how much of their monthly income goes toward paying off debt

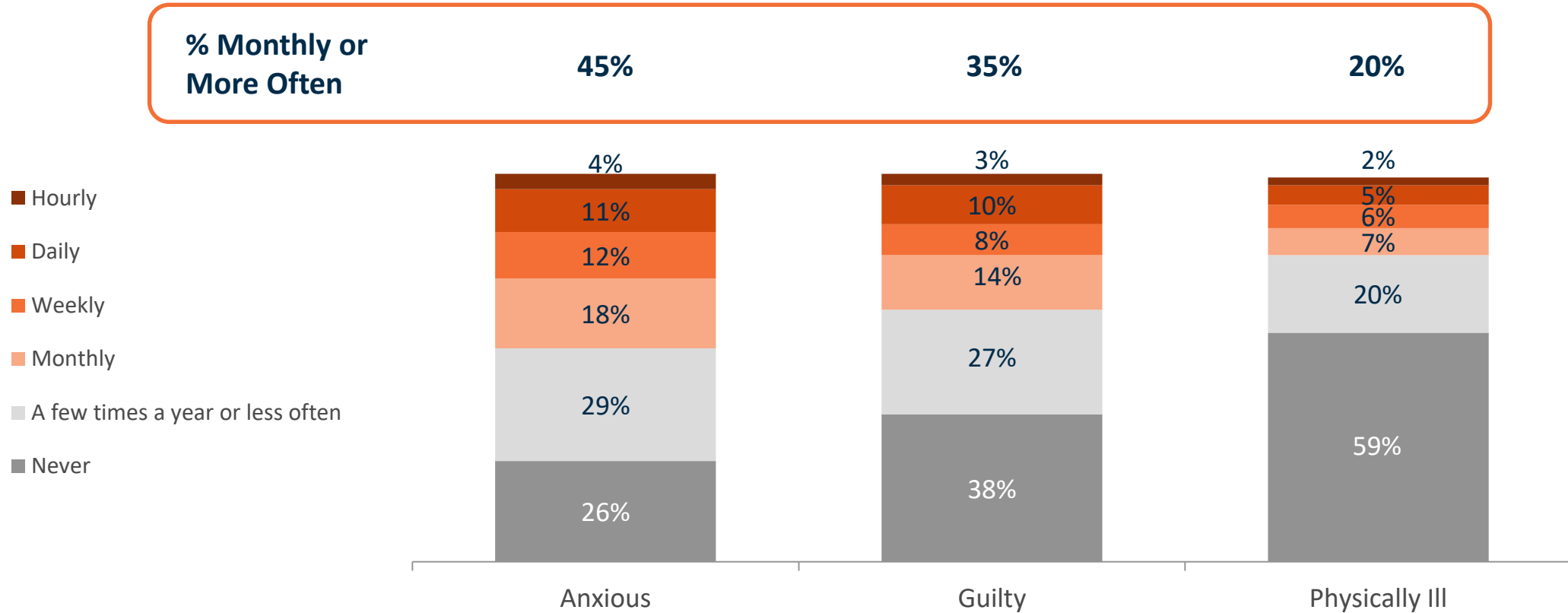
Percent of Income to Pay Off Debt



BASE: THOSE WITH SOME DEBT – 2019 Gen Pop: (n=1504)

QDB1. What percentage of your monthly income goes to paying off debt (excluding your primary home mortgage)?

Americans with debt are feeling the impact

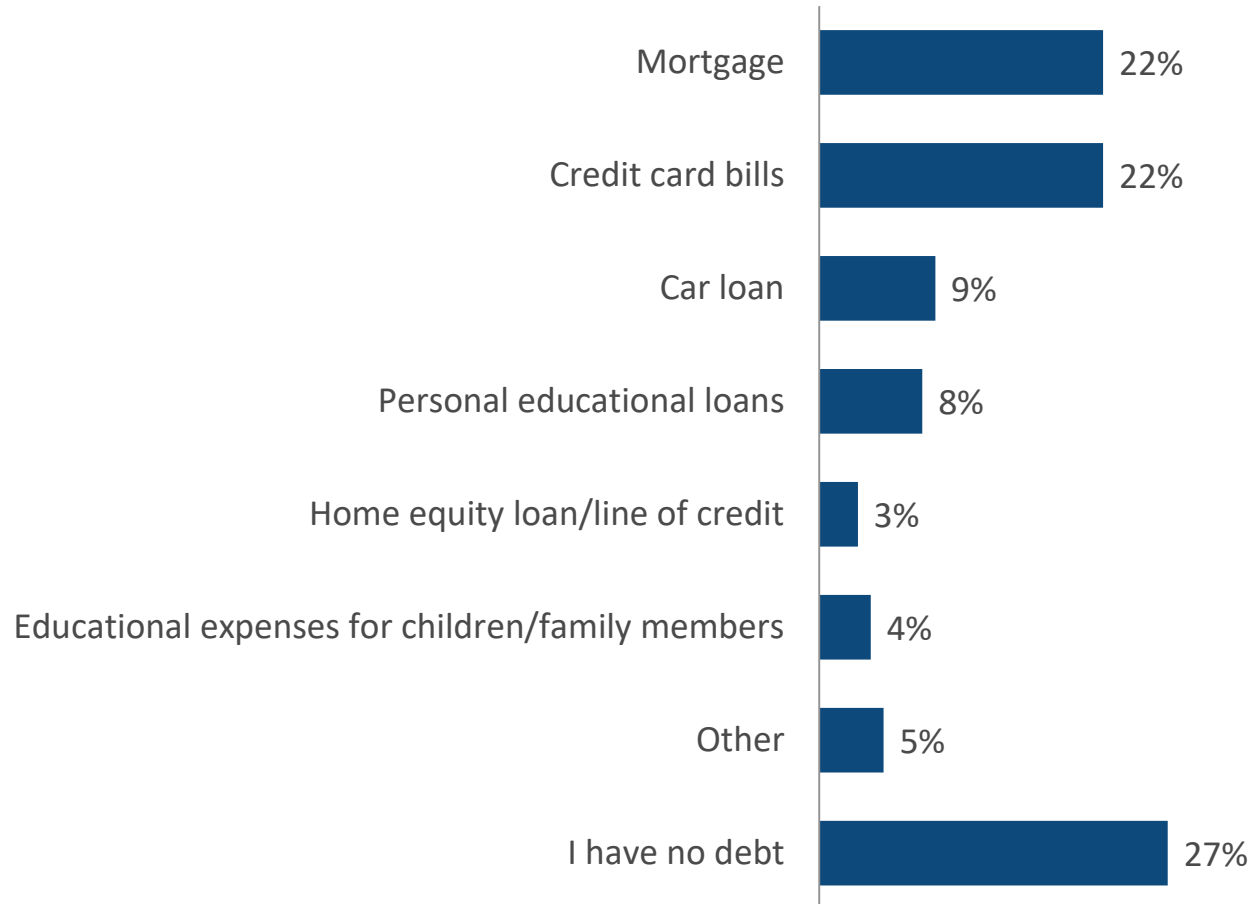


BASE: THOSE WITH SOME DEBT - Gen Pop: (n=1504)

QPAW14. How often has debt made you feel:

Mortgages and credit cards are the leading sources of debt for most Americans

Main Sources of Debt

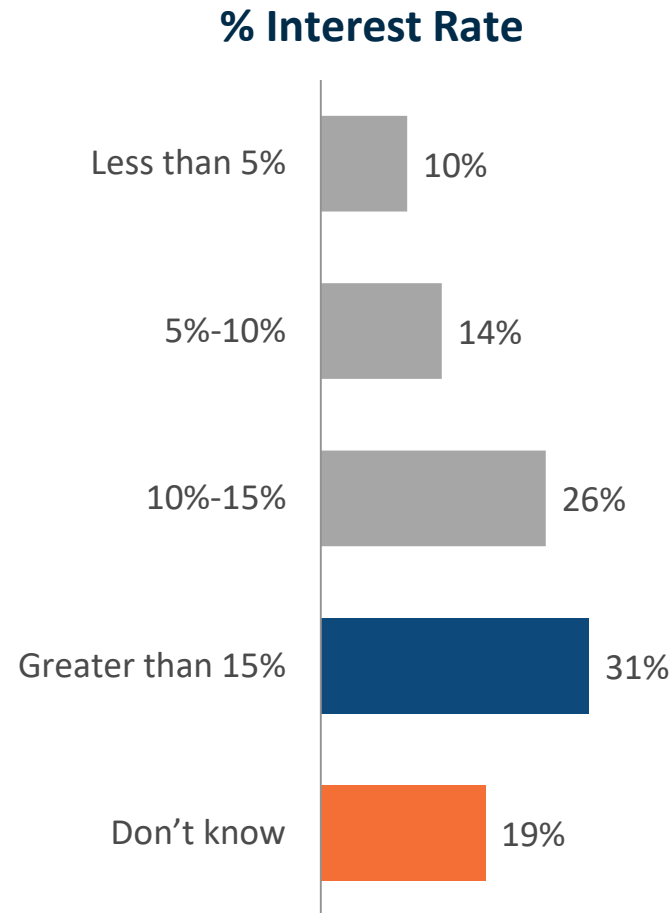


	Gen Z	Millennials	Gen X	Boomers
Main Sources of Debt	(n=503)	(n=672)	(n=595)	(n=441)
Education Loans	20%	10%	10%	1%
Mortgage	6%	15%	30%	28%
Credit Card	14%	25%	24%	18%

BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2003)

QPAW10. What is your main source of debt?

Nearly one-third of Americans are paying interest rates on their credit cards greater than 15%



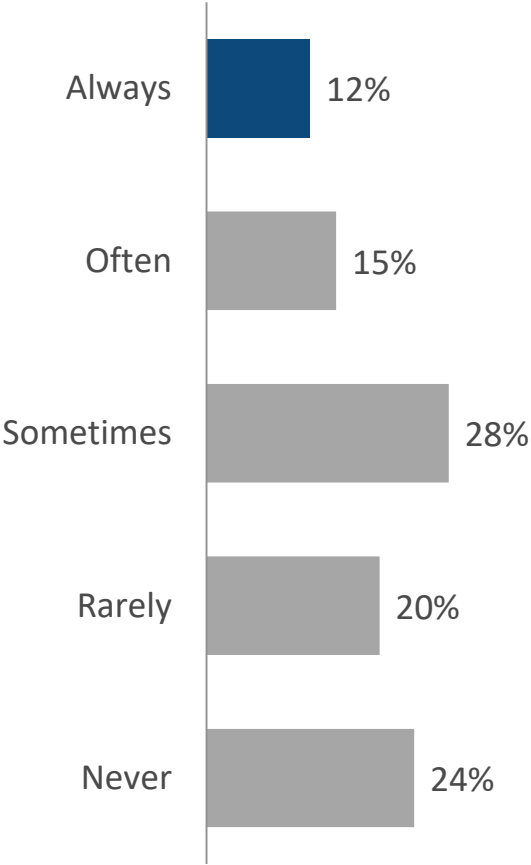
... And close to one-fifth doesn't know what their interest rate is

BASE: THOSE CARRYING CREDIT CARD DEBT - Gen Pop: (n=452)

QPAW12. On average, what interest rate do you pay on your credit card debt?

More than 1 in 10 say they always pay only the minimum required payment on their credit cards

Frequency in Paying Minimum

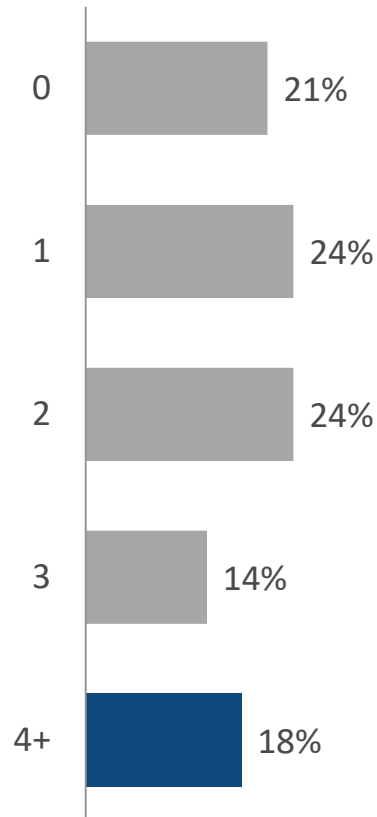


BASE: THOSE CARRYING CREDIT CARD DEBT - Gen Pop: (n=452)

QPAW13. How often do you pay only the minimum payment on your credit card bill, just covering the interest without paying down any principal?

Boomers are more likely than other generations to have 4 or more credit cards

Number of Credit Cards



Generation	Base	Percent with 4+ Credit Cards
Gen Z	n=503	3%
Millennials	n=672	14%
Gen X	n=595	19%
Boomers	n=441	23%

*New in 2019

BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2003)

QPAW11. How many credit cards do you currently have?