



Consumers Anticipate Long-Lasting Impact from Financial Damage

As part of its effort to understand the economic impact of the pandemic, the Consumer Finance Institute (CFI) surveyed consumers about their economic situations and attitudes. Many of the findings echoed the severe job losses and paycheck disruptions found in the government data and media coverage. A new and interesting takeaway of the survey, however, is the cautious view going forward: When we surveyed consumers in April, a significant share of respondents did not think their finances would recover soon. Many expected to need to decrease their spending or to seek financial assistance in June or later.

The CFI COVID-19 Survey of Consumers was conducted in early April and collected more than 3,500 responses from across the U.S. Consumers were asked about changes in job status, income levels, and financial security as related to the pandemic and related shutdowns. You can read the report [here](#).

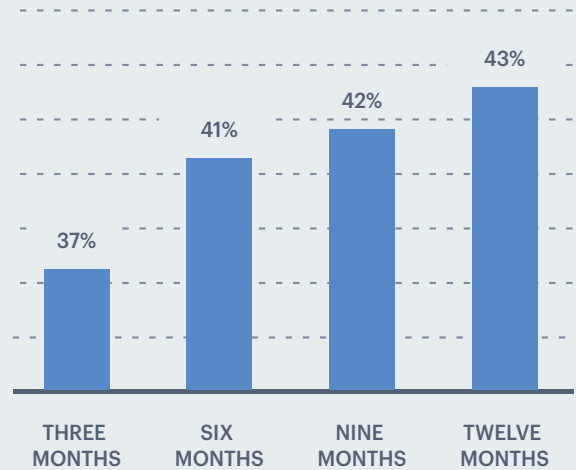
When asked about their finances, respondents reported high levels of concern not just for now but into the future. More than one-third (37.0 percent) reported being worried about making ends meet in the next three months. The number increased to 43.0 percent in the next 12 months. In other words, two out of five Americans think they will remain financially insecure in April 2021 because of the impact from this spring's economic disruptions. The rise in worry is evident across different age, income, and geographic groups.

With financial strains expected for some time, it is no surprise that 57.1 percent of respondents plan to cut their spending at least through June, with 13.2 percent anticipating they will decrease it by more than half.

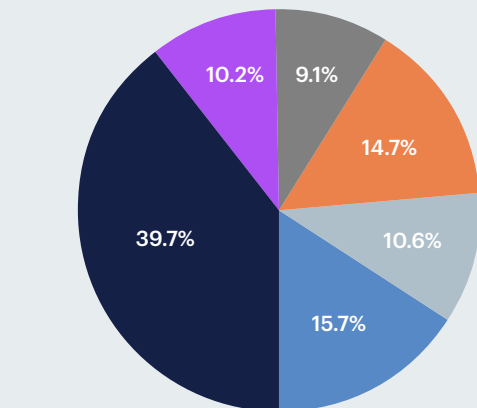
Many consumers also think they will need more help down the road. A majority of respondents (60.3 percent) expect to require some form of additional financial resources prior to the end of the crisis.

Fed Chair Jerome Powell has cautioned that a full economic recovery could take months, and the CFI survey results suggest that many consumers have a similar view.

HOW CONCERNED ARE YOU ABOUT YOUR ABILITY TO MAKE ENDS MEET OVER THESE TIME PERIODS?



IF YOU BELIEVE YOU WILL NEED TO ACCESS ADDITIONAL RESOURCES, HOW SOON DO YOU BELIEVE THAT WILL BE NECESSARY?



- I have already had to seek additional resources
- 1-2 Weeks
- 2-4 Weeks
- 4-8 Weeks
- 2 or more months
- I don't anticipate needing to seek additional resources