Introduction

• Primary focus
  – Banking status and alternative financial services use

• Strength in numbers
  – CPS affords detailed state and local results

• New insights
  – Account type & AFS timing
Economic Inclusion

Inclusive Banks

Safe Savings and Transaction Accounts

Constructive Credit Options

Household & Community Success

Confidence

Strong System
Overall Results
Banking Status Results
Account Ownership Results
AFS & Prepaid Debit Results
Banking Status

- Fully Banked, 68.8%
- Underbanked, 20.1%
- Unbanked, 8.2%
- Banked, but Underbanked Status Unknown, 2.9%

Notes: Percentages are based on 120.4 million U.S. households. Percentages may not sum to 100 because of rounding.
* These households are banked, but there is not enough information to determine if they are underbanked.
Account Ownership

- Checking and Savings Accounts, 67.2%
- Savings Account Only, 2.0%
- Checking Account Only, 21.1%
- Banked but Unknown Type, 1.5%
- Unbanked, 8.2%

Notes: Percentages are based on 120.4 million U.S. households. Percentages may not sum to 100 because of rounding.
Prior Year AFS Use

Notes: Percentages are based on 120.4 million households. Percentages may not sum to 100 because of rounding.
* "Unknown" includes: households were transaction products are used, but credit product use is unknown; households where credit products are used but transaction product use is unknown and households where there is no indication of any AFS use but some responses are missing.
Overall Results

Banking Status Results

Account Ownership Results

AFS & Prepaid Debit Results
Previous Banking Status

Banked, 91.8

Unbanked, 8.2

Previously Banked, 3.7

Never-Banked, 4.4

Previous Banking Status Unknown, 0.1

Notes: Percentages are based on 120.4 million U.S. households. Percentages may not sum to 100 because of rounding.
## Banking Status of Select Groups

<table>
<thead>
<tr>
<th>Select Demographic Groups</th>
<th>Percent Unbanked</th>
<th>Percent Underbanked</th>
<th>Percent Fully Banked</th>
</tr>
</thead>
<tbody>
<tr>
<td>All households</td>
<td>8.2</td>
<td>20.1</td>
<td>68.3</td>
</tr>
<tr>
<td>Blacks</td>
<td>21.4</td>
<td>33.9</td>
<td>41.6</td>
</tr>
<tr>
<td>Hispanics</td>
<td>20.1</td>
<td>28.6</td>
<td>48.7</td>
</tr>
<tr>
<td>Foreign-born noncitizens</td>
<td>22.2</td>
<td>28.9</td>
<td>45.8</td>
</tr>
<tr>
<td>Unemployed householder</td>
<td>22.5</td>
<td>28.0</td>
<td>47.5</td>
</tr>
<tr>
<td>Income below $15,000</td>
<td>28.2</td>
<td>21.6</td>
<td>47.6</td>
</tr>
<tr>
<td>Unmarried female family households</td>
<td>19.1</td>
<td>29.5</td>
<td>48.4</td>
</tr>
<tr>
<td>Under age 24 householder</td>
<td>17.4</td>
<td>31.0</td>
<td>49.7</td>
</tr>
</tbody>
</table>
Household Type

Unbanked
- Nonfamily household, 40.1
- Unmarried female family household, 30.1
- Married couple, 21.5
- Nonfamily household, 35.0

Underbanked
- Married couple, 44.1
- Unmarried female family household, 19.0
- Nonfamily household, 29.9
- Unmarried male family household, 6.9

Fully Banked
- Married couple, 52.2
- Unmarried male family household, 9.1
- Unmarried female family household, 8.2
- Married couple, 44.1
- Unmarried female family household, 9.1
- Nonfamily household, 35.0
Overall Results
Banking Status Results
Account Ownership Results
AFS & Prepaid Debit Results
Accounts by Income

- Less than $15,000: 37.4%
- Between $15,000 and $30,000: 56.3%
- Between $30,000 and $50,000: 69.8%
- Between $50,000 and $75,000: 80.5%
- At Least $75,000: 89.3%
Unbanked Account Opening Plans

Note: Percentages are based on 9.9 million unbanked households
Account Opening
Motivation

To write checks and pay bills
- Never-Banked: 30.8%
- Previously Banked: 28.8%

To secure your money
- Never-Banked: 31.0%
- Previously Banked: 25.7%

To save money for the future
- Never-Banked: 26.2%
- Previously Banked: 22.6%

To take advantage of direct deposit of paychecks
- Never-Banked: 4.4%
- Previously Banked: 10.0%

To be able to apply for a loan or mortgage
- Never-Banked: 1.6%
- Previously Banked: 4.2%

To send money to family and friends
- Never-Banked: 0.6%
- Previously Banked: 0.3%

Other
- Never-Banked: 3.7%
- Previously Banked: 7.0%

Unknown
- Never-Banked: 1.6%
- Previously Banked: 1.3%

Note: Percentages are based on 5.3 million never-banked and 4.4 million previously-banked households.
Accounts by Household Type

- Unmarried female family household: 76.5% have a checking account, 53.7% have a savings account.
- Unmarried male family household: 81.2% have a checking account, 58.1% have a savings account.
- Married couple: 93.8% have a checking account, 78.9% have a savings account.
- Non-family household: 86.5% have a checking account, 63.0% have a savings account.
Account Opening Plans by Household Type

Note: Percentages are based on 9.9 million unbanked households.
Overall Results
Banking Status Results
Account Ownership Results
AFS & Prepaid Debit Results
Changes in AFS Use

Notes: Non-bank remittances are excluded from this comparison because data on their use is not available for 2009.
Past 30 Days AFS Use

Notes: The AFS included in this measure are non-bank money orders, non-bank check cashing, non-bank remittances, payday loans, and pawn shops. Households were not asked whether they used rent-to-own, or RALs in the last 30 days.
Select AFS Use in Prior 30 Days

Note: Percentages are based on 9.9 million unbanked households and 24.2 million underbanked households.
Prepaid Debit Use by Banking Status

<table>
<thead>
<tr>
<th>Category</th>
<th>2009</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>All households</td>
<td>9.9</td>
<td>10.1</td>
</tr>
<tr>
<td>Unbanked</td>
<td>12.2</td>
<td>17.8</td>
</tr>
<tr>
<td>Previously Banked</td>
<td>18.8</td>
<td>26.8</td>
</tr>
<tr>
<td>Never-Banked</td>
<td>5.7</td>
<td>10.8</td>
</tr>
<tr>
<td>Underbanked</td>
<td>16.4</td>
<td>17.4</td>
</tr>
<tr>
<td>Fully Banked</td>
<td>8.1</td>
<td>7.3</td>
</tr>
</tbody>
</table>
Closing Thoughts

• Understanding segments better might increase the efficacy of economic inclusion strategies

• The previously banked are more likely to want to open an account & consume more AFS than never-banked households

• Having a bank account does not guarantee long term participation in the banking system
About the 2011 FDIC National Survey of Unbanked and Underbanked Households

To address the insufficiencies of the banking system, and in partial fulfillment of a statutory responsibility, the FDIC conducts biennial surveys of households to estimate the proportion of households that do not fully participate in the banking system. The second FDIC National Survey of Unbanked and Underbanked Households presents new data and insights on the size of unbanked and underbanked markets at the national, regional, state, and large metropolitan statistical area (MSA) levels.