U.S. Financial Diaries

Savings for Sooner How and Why Short-Term Savings Matter



This is Brandi and Frank.

Annually, they make \$36,000.



An average of \$3,000 monthly.

But Brandi and Frank don't actually earn \$3,000 each month.

In January they earned \$1,500





Both Brandi and Frank picked up some overtime hours In September they earned

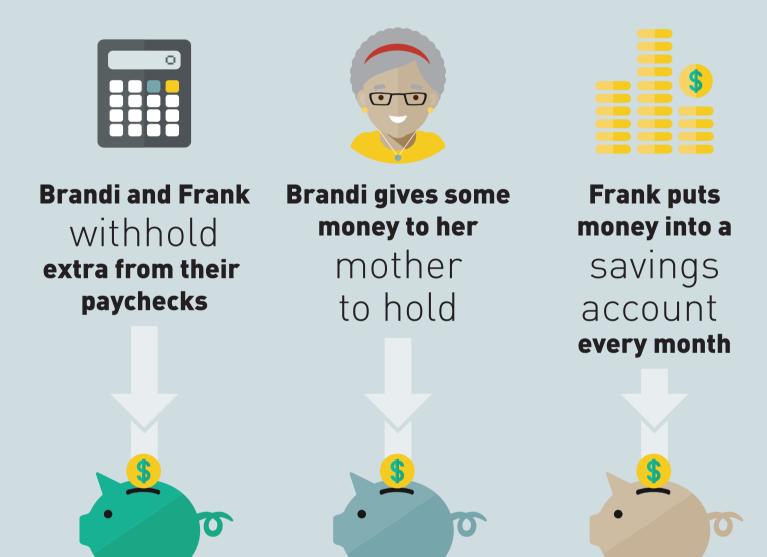


Due to weather, Frank's job site got shut down for three weeks

UNSTEADY INCOMES More than five months a year, the average USFD family's income is 25% above or below their median income. and missed a few days of work

Brandi and Frank can't predict their monthly income, **so budgeting and saving isn't easy.**

But that doesn't mean they aren't saving.





They repair their car when the tax

refund arrives



They buy school supplies in the fall



In a month of lower than average income, Frank draws down his savings account

So despite saving all year, end-of-year balances are very low.

MORE GOING IN THAN STAYING IN

For the average USFD household, total flows into savings accounts are four times larger than year-end balances.

What would help Brandi and Frank get ahead?

Savings policies that help families build short-term savings, not just retirement and long-term savings.

Workforce policies that focus on

steadier incomes, not just higher incomes.

U.S. Financial Diaries To learn more about the U.S. Financial Diaries and how working families save, visit **www.usfinancialdiaries.org**