

# Bankrate

## More Americans Believe Their Finances Will Improve in 2025 Compared to Previous Years, While Majority Still Believe Their Finances Will Not Get Better

*Paying down debt is Americans' top financial goal for the coming year; inflation is seen as the top challenge*

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NEW YORK - December 12, 2024 - More than 2 in 5 Americans (44%) believe their personal financial situation will get better in 2025, including 14% who say it will get significantly better, according to a new Bankrate survey, polled post-Election Day (November 6-8, 2024). This compares with 37% who said in a 2023 survey that they expected their finances to improve in 2024. Previously, 34% said the same in 2022 and in 2021 it was 33%. Conversely, over half (56%) still believe their personal financial situation will not get better in the coming year. Click here for more information:

<https://www.bankrate.com/investing/financial-advisors/personal-finances-outlook-survey/>

With Americans' personal financial outlook for 2025 at a crossroads, a third (33%) think their finances will stay the same while 23% say they believe their situation will get worse, including 10% who say they think it will get significantly worse.

Younger generations are more optimistic about their personal finances in 2025:

	<b>Believe their personal finances will improve in 2025</b>	<b>Believe their personal finances will get worse in 2025</b>	<b>Believe their personal finances will stay about the same in 2025</b>
<b>Gen Z (ages 18-27)</b>	55%	17%	28%
<b>Millennials (ages 28-43)</b>	49%	22%	29%
<b>Gen X (ages 44-59)</b>	38%	27%	34%
<b>Baby boomers (ages 60-78)</b>	37%	25%	38%

Of those who think their personal financial situation will improve in 2025, the top reason is lower levels of inflation (36%) closely followed by rising income from employment, social security, pension, etc. (35%), and having less debt (30%). Other reasons for improvement include better spending habits (25%), the work done by elected officials (25%), making more money from savings or investments (24%), changing interest rates (16%), and a change in life situation (13%; e.g. family, health) while 13% cite some other reason.

On the other hand, of those who think their personal finances will not improve next year, the top reason is continued high inflation (44%). Other obstacles include the work done by elected officials (30%), stagnant or reduced income (28%), the amount of debt they have (20%), money made from savings or investments (10%), a change in life situation (e.g. family, health; 13%), changing interest rates (12%), and bad spending habits (8%), while 12% say they don't know the reason why they think their finances will not improve in 2025.

“Post-election, our survey finds that some Americans see elected officials either as a reason why their finances might not improve (or why they will), affirming a continuing political divide,” said Bankrate Senior Economic Analyst Mark Hamrick. “No matter where someone stands along the political spectrum, the opportunity remains for all to identify financial goals and to act upon them. Political cycles come and go, but the need to attend to our financial well-being remains.”

### **Americans' Main Financial Goals and New Year's Resolutions**

The majority of Americans (89%) say they have a main financial goal for 2025, with the most popular being paying down debt (21%). Other financial goals include saving more for emergencies (12%), getting a higher-paying job or additional source of income (11%), budgeting spending better (10%), saving more for retirement (8%), investing more money (8%), saving for non-essential purchases (6%; i.e. a vacation home or home renovation), and buying a new home (4%). Additionally, 5% said they don't know, 3% said other, and 11% said they do not have any financial goals for 2025.

Of those who have a main financial goal for 2025, nearly half (43%) say it is an immediate priority, citing it as a New Year's resolution they will address right away, while 35% say it is a medium-term issue they will address once they have time to think and plan and 13% say it is a long-term issue they will address after they have had time to research or seek advice. Just 10% say they don't know how they expect to address their main financial goal in the coming year.

“Inflation has faded, but it hasn’t gone away,” Hamrick added. “With interest rates still elevated, it is encouraging to see the top financial goal is to pay down debt. Average credit card interest rates top 20%, still close to a record high. Targeting high-cost debt can provide an immediate benefit.”

**Methodology:**

This survey has been conducted using an online interview administered to members of the YouGov Plc panel of individuals who have agreed to take part in surveys. All figures, unless otherwise stated, are from YouGov Plc. The total sample size was 2,493 U.S. adults. Fieldwork was undertaken between November 6-8, 2024. The survey was carried out online and meets rigorous quality standards. It gathered a non-probability-based sample and employed demographic quotas and weights to better align the survey sample with the broader U.S. population.

**Bankrate Awards:**

The 2025 Bankrate Awards are now live to help consumers find the best financial products in a range of categories. The Bankrate Awards highlight the best of the best in credit cards, banking, lending and more, so that everyone can find winners for their wallet. For the complete list of this year’s winners and our methodology, please visit: [www.bankrate.com/awards](http://www.bankrate.com/awards).

Additionally, Bankrate Visionaries are innovators who deserve recognition for driving change in personal finance. For the complete list of 2025 winners, please visit: [www.bankrate.com/awards/2025/visionaries](http://www.bankrate.com/awards/2025/visionaries).

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