

Press Release

September 18, 2020

Federal Reserve Board issues Report on the Economic Well-Being of U.S. Households

For release at 12:00 p.m. EDT

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Data collected to supplement the Federal Reserve Board's seventh annual Survey of Household Economics and Decisionmaking showed that U.S. families were faring better financially in July than in April, but many still faced uncertainty regarding layoffs and prospects for returning to work.

Recognizing the unprecedented financial disruptions caused by the COVID-19 pandemic, the Federal Reserve conducted a pair of supplemental surveys to monitor changes in the financial well-being of Americans. The first of these surveys was conducted in April, at the onset of the pandemic and before most financial relief efforts were in place. The April results were described in the *Report on the Economic Well-Being of U.S. Households in 2019, Featuring Supplemental Data from April 2020*. The second survey was conducted in July.

In July, 77 percent of adults said they were doing at least okay financially, up from 72 percent in early April, and 75 percent in October 2019. This increase is likely due to some people returning to work as well as the availability of assistance programs either from the government or from charitable organizations. A substantial number of families received one or more forms of financial assistance, and the effects of these programs were apparent in people's overall financial well-being and ability to cover expenses.

The July survey demonstrated that people appeared better able to handle small financial emergencies than they were nine months prior in October 2019. Seventy percent of adults said in July that they would be able to

pay an unexpected \$400 emergency expense entirely by using cash, savings, or a credit card paid off at the next statement—an increase from 63 percent last October.

While financial assistance programs provided some buffer from economic hardships and some people have returned to their jobs, many others remain out of work. Fourteen percent of all adults reported being laid off since the pandemic began. Among those laid off, 30 percent said in the July survey that they had returned to their former job, up from 5 percent in April. An additional 10 percent said they were working elsewhere and did not expect to return to their old job.

Still, a larger share of laid-off workers expected the layoff to be permanent than in April. In July, 22 percent of adults who had been laid off said that they were not employed and that they did not expect to return to their old jobs. This is up from 7 percent of laid-off workers who reported in April that they were not employed and did not expect to return to their old jobs.

The recent survey also shows that laid-off workers with low incomes are somewhat less likely to have returned to the same job. Twenty-five percent of laid-off workers with family incomes under \$40,000 returned to the same job, compared with 39 percent of laid-off workers with family incomes over \$100,000.

Results from the April and July surveys reflect families' experiences of financial conditions over the initial months of the pandemic's onset. Yet, financial repercussions from COVID-19 continue to evolve, and the Federal Reserve Board plans to field the complete annual *Survey of Household Economics and Decisionmaking* in the fourth quarter of 2020 to continue to monitor the economic well-being of U.S. consumers in the months ahead.

The report, downloadable data, and a video summarizing the survey's findings may be found at: <https://www.federalreserve.gov/consumerscommunities/shed.htm>.

For media inquiries, call (202) 452-2955

[Update on the Economic Well-Being of U.S. Households: July 2020 Results \(PDF\)](#)

[Update on the Economic Well-Being of U.S. Households: July 2020 Appendixes \(PDF\)](#)

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