A decade of tracking financial literacy in America

Findings from the 2026 *TIAA Institute–GFLEC Personal Finance Index*

Paul J. Yakoboski, TIAA Institute

Annamaria Lusardi, Stanford University and Global Financial Literacy Excellence Center (GFLEC)

Andrea Sticha, Stanford Graduate School of Business and Global Financial Literacy Excellence Center (GFLEC)

Fran Mastry, TIAA Institute

TIAA Institute

Stanford | GFLEC
Global Financial Literacy Excellence Center

Contents

Executive summary

For 10 years, the *TIAA Institute–GFLEC Personal Finance Index (P-Fin Index)* has examined financial literacy among U.S. adults. This is a unique survey covering the same set of questions over time but also adding new information in each wave. Unfortunately, results over the decade point to persistently low financial literacy, leaving many Americans at a disadvantage in an increasingly complex personal finance landscape. Each year, U.S. adults have correctly answered only about one-half of the 28 index questions, on average. In 2026, this figure was 47%, and it has never exceeded 52%.

More recently, financial literacy appears to be moving in the wrong direction. The average number of questions answered correctly declined over the past year and the share of adults with very low financial literacy rose. More specifically, the percentage answering seven or fewer questions correctly increased, making the latest result especially concerning. This is troubling because the *P-Fin Index* measures knowledge relevant for financial decisions encountered in everyday life.0

Financial knowledge has declined in five of the eight functional areas covered by the *P-Fin Index*. This means that decreased financial literacy is broad-based across many topics that matter in everyday personal finances. Comprehending risk remains the area of weakest knowledge, with only 36% of risk-related questions answered correctly in 2026.

Demographic differences continue to persist:

- **Financial literacy among women has consistently lagged that of men.** In 2026, the gender gap in the percentage of index questions answered correctly is 6 percentage points. Likewise, there's a gender gap in all functional knowledge areas except consuming.
- **Financial literacy tends to be low across generations, but particularly so among Gen Z.** On average, Gen Z correctly answered only 38% of the *P-Fin Index* questions in 2026. Likewise, Gen Z's financial knowledge is consistently lower across all functional areas. Insuring is Gen Z's weakest area and the one with the largest gaps relative to other generations. Comprehending risk is the one area where knowledge is consistently low across generations, showing little improvement at older ages.

A decade of largely stagnant results, combined with the recent decline, underscores the urgency of expanding access to financial education. This could include school-based education for young people as well as workplace and community programs for working-age adults and retirees.

Any opinions expressed herein are those of the authors, and do not necessarily represent the views of TIAA, the TIAA Institute or any other organization with which the authors are affiliated.

To expand the use of the *P-Fin Index* on its 10-year anniversary, we created an abbreviated measure—the *P-Fin 8 Index*—and are making it publicly available, enabling researchers and practitioners to use a short, standardized measure of financial literacy. The *P-Fin 8* questions were selected based on extensive empirical analysis to identify the eight questions that, taken together, best proxy the full 28-question *P-Fin Index*, subject to the constraint that one question comes from each functional area. The *P-Fin 8 Index* performs similarly to the full index in the aggregate and across demographic groups.

For the first time, the 2026 *P-Fin Index* survey asked questions about artificial intelligence (AI). While 19% of adults report having used an AI tool to get information about a personal finance topic, only 4% use AI regularly (at least monthly) to help manage their personal finances. An additional 9% use it occasionally.

Consistent with previous years, the 2026 data demonstrate that financial well-being is strongly linked to financial literacy.

Compared with adults with very high financial literacy, those with very low financial literacy are:

- **4x** more likely to have trouble making ends meet
- **Over 2x** as likely to be debt-constrained
- **3x** more likely to be financially fragile
- **4x** more likely to lack nonretirement savings sufficient to cover one month of living expenses
- **Over 3x** more likely to spend 10 hours or more per week thinking about and dealing with issues and problems related to personal finances

The *P-Fin Index* also assesses basic retirement fluency—knowledge that would promote financial well-being in retirement—with six questions covering distinct subjects: Social Security benefits, Medicare coverage of health care expenses, employment-based retirement savings, ensuring lifetime income, likelihood of needing long-term care at older ages, and life expectancy in retirement. Analogous to financial literacy, Americans tend to have poor retirement fluency, correctly answering only two questions on average.

Introduction

Since 2017, the *TIAA Institute–GFLEC Personal Finance Index (P-Fin Index)* has served as a barometer of financial literacy—knowledge and understanding that enable sound financial decision-making and effective management of personal finances—among U.S. adults.[1]

The *P-Fin Index* survey provides a robust measure of overall financial literacy using 28 questions, also allowing analysis of personal finance knowledge across eight areas in which individuals routinely function: earning, consuming, saving, investing, borrowing and managing debt, insuring, comprehending risk, and go-to information sources. In addition, the *P-Fin Index* survey contains questions that are indicators of financial well-being, enabling insights into the relationship between financial literacy and personal finance outcomes.[2]

To support broader use of the *P-Fin Index* in research and program evaluation and to mark its 10-year anniversary, we designed an abbreviated measure, the *P-Fin 8 Index*, which is available to the public. The *P-Fin 8* includes one question from each of the eight functional knowledge areas and is designed to serve as a proxy for the full 28-question index. It allows users to field a shorter set of questions while still benchmarking results to the national statistics reported here. Extensive empirical testing shows that the *P-Fin 8* closely tracks the full index, performs comparably well across demographic groups, and is strongly correlated with the 28-question measure.

In addition, six questions are used to gauge basic retirement fluency—knowledge promoting financial well-being in retirement—and to examine the relationship between such knowledge and retirement readiness.[3] Each question covers a distinct subject: Social Security benefits, Medicare coverage of health care expenses, employment-based retirement savings, ensuring lifetime income, likelihood of needing long-term care at older ages, and life expectancy in retirement.

Finally, for the first time, the 2026 *P-Fin Index* survey asked about AI use for personal finance decisions.

1 See Lusardi et al. (2017) and Yakoboski et al. (2018–2025). These reports are available on the TIAA Institute and GFLEC websites.

2 The 2026 *P-Fin Index* survey was completed online between January 5 and January 22, 2026, by a sample of 3,602 U.S. adults (ages 18 and older) drawn from the Ipsos KnowledgePanel, a large-scale probability-based online panel. The 3,602 respondents included 1,764 men and 1,838 women, as well as 626 Gen Z (born 1997–2007), 893 Gen Y (1981–1996), 893 Gen X (1965–1980), 1,047 baby boomers (1946–1964), and 143 members of the Silent Generation (1945 or earlier). The survey data were weighted to be nationally representative. Appendix Figure A1 provides the weighted distribution of the survey sample.

3 This was done for the first time in 2024 with five questions. See Yakoboski et al. (2024).

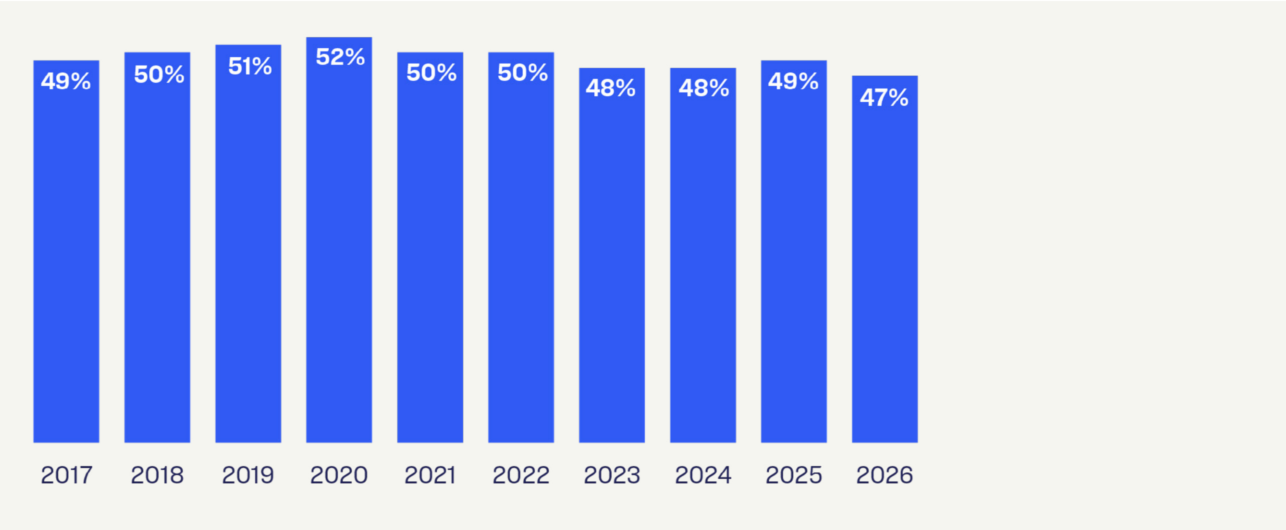
Financial literacy among U.S. adults

A consistent finding over 10 years of the *P-Fin Index* is that many Americans function with a low level of financial literacy (Figure 1). In 2026, U.S. adults correctly answered only 47% of the 28 index questions, on average, a statistically significant decline from the prior year and a sign that financial literacy may be moving in the wrong direction. This is troubling because the *P-Fin Index* measures knowledge relevant for financial decisions encountered in everyday life.

Changes in knowledge among the adult population take time, so rapid improvements aren't expected. Nevertheless, a decade of largely stagnant results, combined with the recent decline, underscores the urgency of expanding access to financial education. This could include school-based education for young people as well as workplace and community programs for working-age adults and retirees.

FIGURE 1. FINANCIAL LITERACY AMONG U.S. ADULTS, 2017 TO 2026

Percentage of *P-Fin Index* questions answered correctly



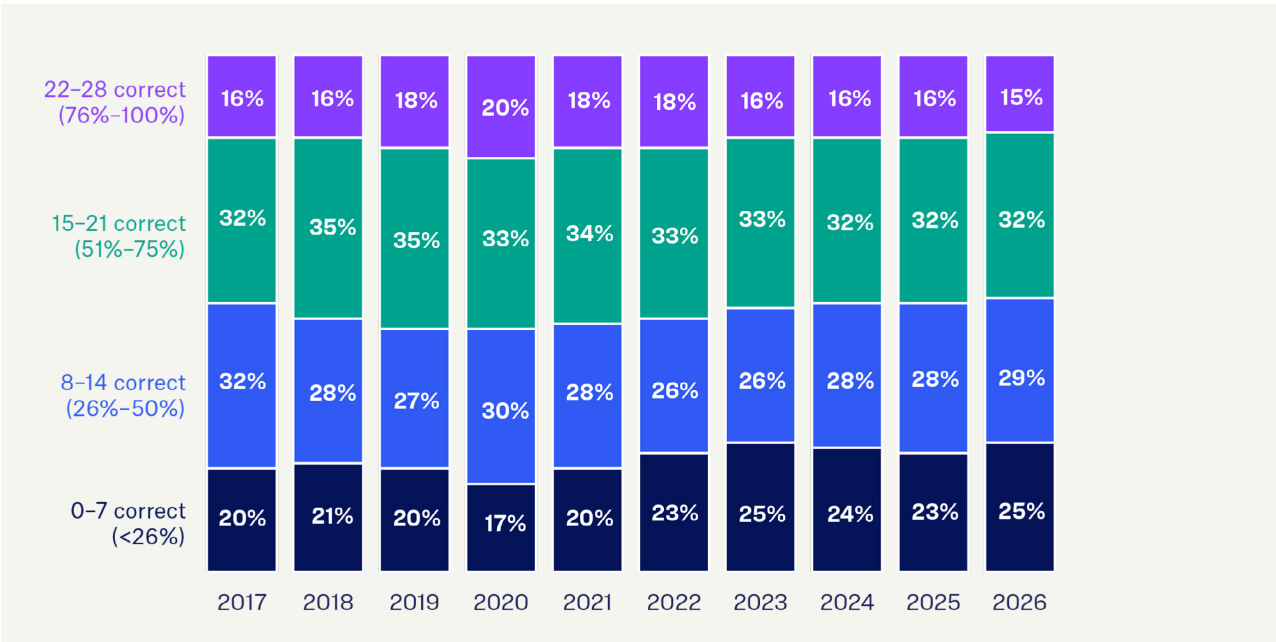
Source: *TIAA Institute–GFLEC Personal Finance Index* (2017—2026).

Looking at the distribution of correct responses, the decline in financial literacy appears driven mainly by a slow but steady increase in the share of adults at the bottom of the distribution (Figure 2). The share of respondents correctly answering seven or fewer of the 28 index questions is significantly higher in 2026 than in 2017 (25% versus 20%). The growth in the least knowledgeable group is pulling the average number of correct responses downward.

At the other end of the spectrum, the share of adults correctly answering 22 or more of the 28 index questions is essentially unchanged (15% in 2026 and 16% in 2017).

FIGURE 2. FINANCIAL LITERACY AMONG U.S. ADULTS, 2017 TO 2026

Distribution of correct answers to *P-Fin Index* questions



Source: *TIAA Institute–GFLEC Personal Finance Index* (2017—2026).

The *P-Fin Index* assesses financial literacy across eight areas in which individuals routinely function:[4]

1. **Earning**
   Determinants of wages and take-home pay
2. **Consuming**
   budgets and managing spending
3. **Saving**
   Factors that maximize accumulations
4. **Investing**
   investment types, risk and return
5. **Borrowing and managing debt**
   Relationship between loan features and repayments
6. **Insuring**
   Types of coverage and how insurance works
7. **Comprehending risk**
   Understanding uncertain financial outcomes
8. **Go-to information sources**
   Recognizing appropriate sources and advice

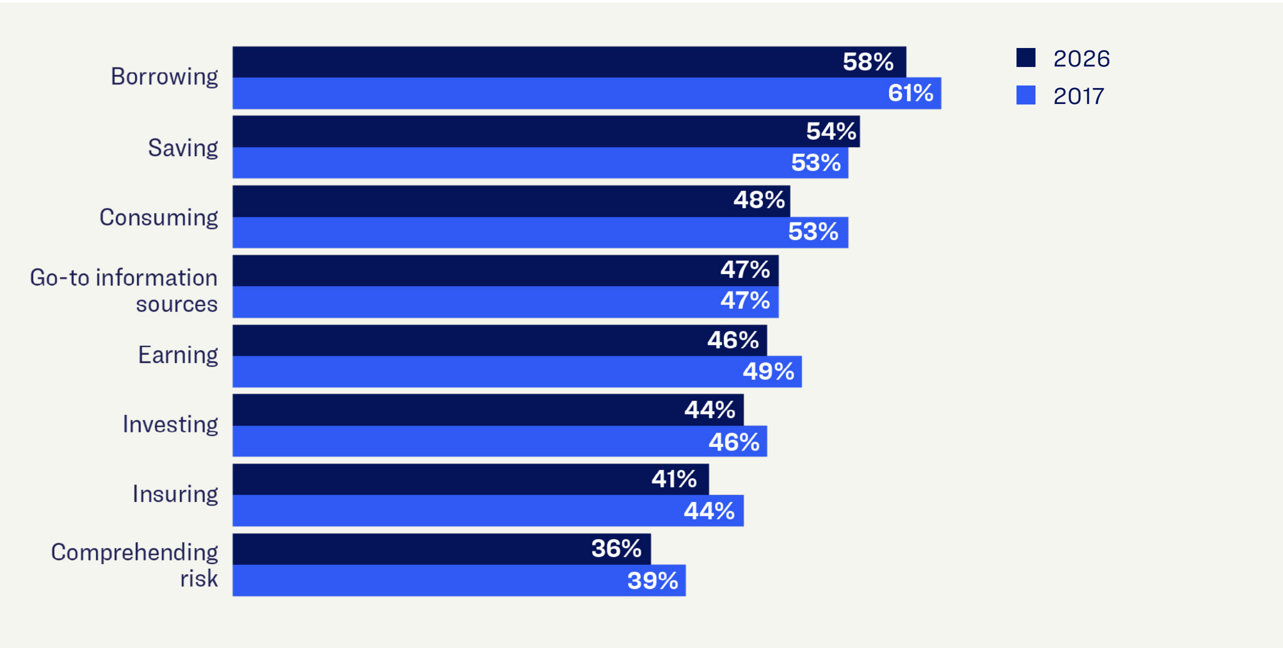
4 The eight areas correspond to the National Standards for Financial Literacy outlined by the Council for Economic Education: https://www.councilforeconed.org/wp-content/uploads/2021/10/2021-National-Standards-for-Personal-Financial-Education.pdf. Each functional area is covered by three or four survey questions.

Two takeaways stand out in examining functional knowledge in these areas.

First, underlying the decline in overall financial literacy among U.S. adults between 2017 and 2026 are statistically significant declines in functional knowledge in five areas—consuming, borrowing, earning, insuring, and comprehending risk. The percentage of questions answered correctly dropped 5 percentage points in the area of consuming and 3 percentage points in the other four (Figure 3).[5] This means that decreased financial literacy is broad-based across many topics that matter in everyday personal finances.

FIGURE 3. FUNCTIONAL KNOWLEDGE, 2017 AND 2026

Percentage of *P-Fin Index* questions answered correctly



Source: *TIAA Institute–GFLEC Personal Finance Index* (2017, 2026).

Second, functional knowledge among U.S. adults has consistently been lowest in the area of comprehending risk.[6,7] On average, 36% of these questions were answered correctly in 2026, and 39% correctly in 2017. This is concerning because uncertainty is inherent in most aspects of personal finance and financial decision-making. Outcomes are rarely certain when decisions are made, so individuals should be able to make appropriate choices in an environment of uncertainty.

At the other end of the spectrum, functional knowledge has consistently been highest in borrowing and managing debt. Debt is common across the lifecycle for many individuals, so knowledge and understanding may develop through experience managing debt, often beginning in early adulthood.

5 Functional knowledge in the areas of saving, go-to-information sources, and investing remains essentially unchanged.

6 Comprehending risk involves, for example, understanding that the expected outcome in a given scenario depends on the range of possible outcomes, the financial implication associated with each outcome, and the likelihood of each outcome occurring.

7 This finding is consistent with other research identifying risk-related concepts as the most difficult for individuals to grasp. See Coppola et al. (2017) and Lusardi (2015).

Demographic variations in financial literacy

A consistent finding over 10 years of the *P-Fin Index* is that financial literacy among women continues to lag that of men. In 2026, men correctly answered 50% of the index questions, on average, and 19% of men demonstrated very high financial literacy (Figure 4). The analogous figures among women are 44% and 11%, respectively.[8] Prior analysis has demonstrated that this financial literacy gender gap isn't explained simply by differences in demographics. Women answer significantly fewer *P-Fin Index* questions correctly even after accounting for a range of sociodemographic characteristics.[9] Functional knowledge patterns are similar. Women score significantly lower than men in all functional areas except consuming, with the largest gaps in areas where overall performance is already weakest, particularly investing, insuring, and comprehending risk.

FIGURE 4. FINANCIAL LITERACY BY GENDER

	Men	Women
Percentage of *P-Fin Index* questions answered correctly	**50%**	**44%**
Distribution of correct answers to the *P-Fin Index* questions		
22–28 correct (76%–100%)	19%	11%
15–21 correct (51%–75%)	32	31
8–14 correct (26%–50%)	25	32
0–7 correct (<26%)	23	27
Percentage of functional knowledge questions answered correctly		
Borrowing	60%	56%
Saving	57%	51%
Consuming	48%	48%
Earning	48%	44%
Go-to-information sources	50%	45%
Investing	50%	39%
Insuring	44%	38%
Comprehending risk	39%	33%

Source: *TIAA Institute–GFLEC Personal Finance Index* (2026).

Financial literacy tends to be low across generations, but particularly so among Gen Z. On average, Gen Z correctly answered only 38% of the *P-Fin Index* questions in 2026 (Figure 5). Financial literacy increases across generations. On average, Gen Y correctly answered 46% of the index questions, Gen X 49%, and baby boomers 54%.[10]

The distribution of correct answers shows that differences across generations are driven largely by the share of individuals with very low financial literacy. The percentage answering seven or fewer questions correctly is particularly high among the young, ranging from 15% among baby boomers to 37% among Gen Z.[11] In fact, those with very low financial literacy are the largest segment of the Gen Z distribution.

8 These differences are statistically significant.

9 See Yakoboski et al. (2025).

10 Differences for Gen Z, Gen Y, Gen X, and baby boomers with each adjacent generation are statistically significant.

11 Differences in very low financial literacy across Gen Z, Gen Y, Gen X, and baby boomers are statistically significant.

FIGURE 5. FINANCIAL LITERACY BY GENERATION

	Gen Z	Gen Y	Gen X	Baby boomers	Silent Generation
Percentage of *P-Fin Index* questions answered correctly	**38%**	**46%**	**49%**	**54%**	**47%**
Distribution of correct answers to the *P-Fin Index* questions					
22–28 correct (76%–100%)	9%	16%	16%	18%	15%
15–21 correct (51%–75%)	26	27	34	40	28
8–14 correct (26%–50%)	28	28	29	28	36
0–7 correct (<26%)	37	28	21	15	22
Percentage of functional knowledge questions answered correctly					
Borrowing	47%	57%	60%	65%	58%
Saving	45%	54%	55%	61%	52%
Consuming	43%	47%	51%	51%	41%
Earning	37%	46%	48%	53%	42%
Go-to-information sources	42%	47%	49%	51%	45%
Investing	35%	43%	47%	51%	50%
Insuring	25%	37%	46%	53%	49%
Comprehending risk	33%	36%	36%	39%	32%

Source: *TIAA Institute–GFLEC Personal Finance Index* (2026).

Gen Z's financial literacy is consistently lower than that of older generations across all functional knowledge areas. Insuring is Gen Z's weakest area and the one with the largest gaps relative to other generations. Comprehending risk is the area of lowest functional knowledge among the other generations. It's also the one area where knowledge is consistently low across generations, showing little improvement at older ages.

A key caveat is that a 10-year span of repeated cross-sectional data is insufficient to separate age effects from cohort effects. Higher financial literacy among older generations could reflect shared differences over the lifecycle as well as differences specific to birth cohorts. Nonetheless, these findings show individuals typically enter adulthood with very low financial literacy, and knowledge tends to remain low over time.

Financial literacy levels also vary across other demographic groups. For example, financial literacy levels among Black and Hispanic Americans are roughly equal, albeit at lower levels compared with Asian and White Americans. Financial literacy is also higher among adults with more education, those who have received financial education, those who are employed or retired, and those with higher household incomes (see Appendix Figure A2). These patterns are consistent with variations identified in prior years of the *P-Fin Index* and with findings from related studies.[12]

12 See Lusardi and Mitchell (2007, 2014, 2023), Lusardi et al. (2017), and Yakoboski et al. (2018–2025).

The *P-Fin 8 Index*: A proxy for the full 28-question *P-Fin Index*

To expand the use of the *P-Fin Index* on its 10-year anniversary, we created an abbreviated measure of the *P-Fin Index*—the *P-Fin 8 Index*—and are making it publicly available. The *P-Fin 8 Index* includes one question from each of the eight functional knowledge areas and is designed to serve as a proxy for the full 28-question *P-Fin Index*. It's intended for researchers and practitioners who want to include a short, standardized measure of financial literacy in surveys, evaluations, or program assessments, and then benchmark their results against the national statistics reported in this study.

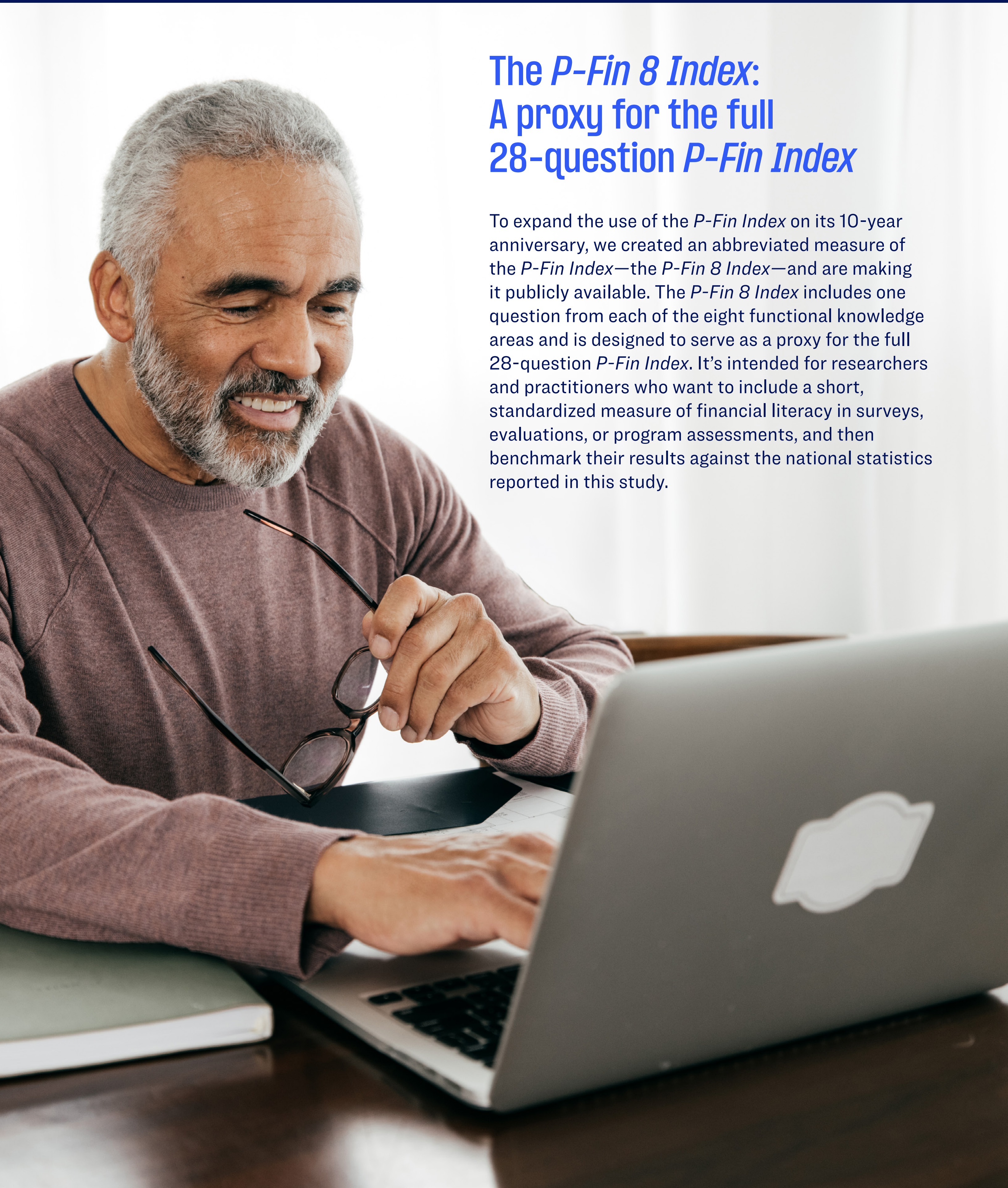


Figure 6 lists the *P-Fin 8* questions and response data from the 2026 survey.[13]

FIGURE 6. *P-FIN 8* QUESTIONS

Functional area	Question wording – *P-Fin 8* (correct answers are in bold)	2026 survey responses
Earning	"Mark's salary has increased over the past two years. What would be a plausible reason for this?" • **Mark completed several training courses at a local college** • The number of workers with Mark's skills increased where he lives and works • New technology reduced the demand for workers with Mark's skills • Don't know	Correct response: 56% Incorrect response: 14% Don't know: 30% No response: 1%
Consuming	"A household budget cannot be used for which of the following?" • **To track household financial assets** • To plan for necessary household expenses • To plan household discretionary spending • Don't know	Correct response: 49% Incorrect response: 24% Don't know: 26% No response: 1%
Saving	"Akiko has $1,000 in savings that earns a 2% rate of return over the course of the year. The inflation rate during the year is 3%. Which statement is true?" • **She can afford to buy fewer things at the end of the year** • She can afford to buy more things at the end of the year • It's not clear whether she can afford to buy more things or fewer things at the end of the year • Don't know	Correct response: 48% Incorrect response: 25% Don't know: 25% No response: 2%
Investing	"Which statement about investing is correct?" • **Investing in a mutual fund that holds shares of many companies in multiple industries is typically safer than investing in the stock of a single company** • Investing in the stock of a single company is typically safer than investing in a mutual fund that holds shares of many companies in multiple industries • Investing in the stock of a single company and investing in a mutual fund that holds shares of many companies in multiple industries are typically equally safe • Don't know	Correct response: 54% Incorrect response: 10% Don't know: 35% No response: 1%
Borrowing and managing debt	"José owes $1,000 on a loan that has an interest rate of 20% per year compounded annually. If he makes no payments on the loan, at this interest rate, how many years will it take for the amount he owes to double?" • **Less than 5 years** • 5 to 10 years • More than 10 years • Don't know	Correct response: 40% Incorrect response: 29% Don't know: 30% No response: 1%

13 Unless stated otherwise, the statistics in this report refer to the full 28-question *P-Fin Index*. The results shown in Figures 6, 7, and 8 refer to the *P-Fin 8 Index*.

FIGURE 6. *P-FIN 8* QUESTIONS (CONTINUED)

Functional area	Question wording – *P-Fin 8* (correct answers are in bold)	2026 survey responses
Insuring	"Katherine is a single 25-year-old worker who is in good health. What type of insurance coverage is she most likely to need in the near term?" • **Disability insurance** • Life insurance • Long-term care insurance • Don't know	Correct response: 27% Incorrect response: 46% Don't know: 26% No response: 2%
Comprehending risk	"Lottery A pays a prize of $200 and the chance of winning is 5%. Lottery B pays a prize of $90,000 and the chance of winning is 0.01%. Expected winnings are greater in which lottery?" • **Lottery A** • Lottery B • They are equal • Don't know	Correct response: 46% Incorrect response: 22% Don't know: 30% No response: 2%
Go-to information sources	"Which of the following appears to be inappropriate investment advice for the respective individual?" • **A stock fund that invests in small start-up businesses to a 75-year-old retiree** • A stock index fund to a 30-year-old worker saving for retirement • A bond fund to a 60-year-old worker for some of her retirement savings • Don't know	Correct response: 46% Incorrect response: 16% Don't know: 36% No response: 2%

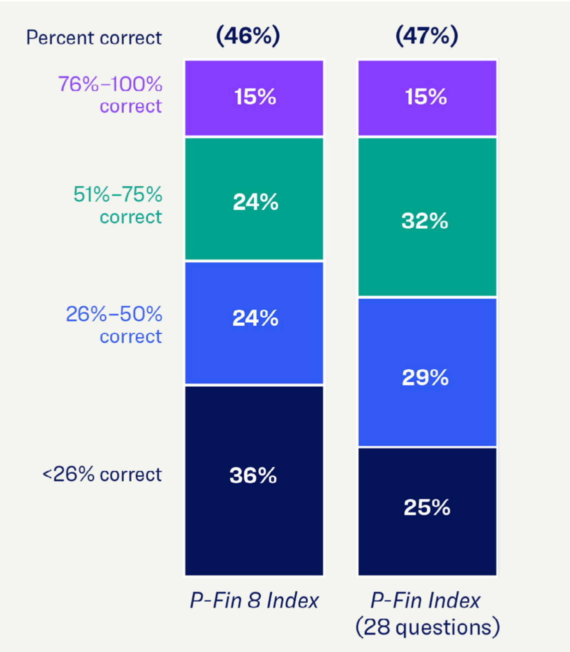
Source: *TIAA Institute–GFLEC Personal Finance Index* (2026).

The *P-Fin 8* questions were selected based on extensive empirical analysis to identify the eight questions that, taken together, best proxy the full 28-question *P-Fin Index*, subject to the constraint that one question comes from each functional area. A detailed description of the methodology and results is provided in Kaiser et al. (2026).

In summary, the *P-Fin 8 Index* performs similarly to the *P-Fin Index*. In 2026, U.S. adults correctly answered 46% of the *P-Fin 8* questions, on average, compared with 47% of the 28 questions comprising the full index. The distribution of correct answers to the *P-Fin 8*, while not identical, highlights analogous patterns of low financial literacy among adults as the full *P-Fin Index* (Figure 7). Most adults (60%) correctly answered half or fewer of the *P-Fin 8* questions, and one-third (36%) correctly answered 25% or less. At the upper end of the spectrum, 15% demonstrated very strong financial literacy by answering seven or eight questions correctly.

FIGURE 7. *P-FIN 8 INDEX* COMPARED WITH THE FULL *P-FIN INDEX*

Distribution of correct answers



Source: *TIAA Institute–GFLEC Personal Finance Index* (2026).

The *P-Fin 8 Index* also shows similar results when measuring financial literacy across demographic groups. Again, while not identical, the *P-Fin 8* results highlight the core patterns documented in the full *P-Fin Index*, such as higher financial literacy among older adults and systematic gender differences (Figure 8).

FIGURE 8. *P-FIN 8 INDEX* BY GENDER AND GENERATION

	Men	Women	Gen Z	Gen Y	Gen X	Baby boomers	Silent Generation
Percentage of *P-Fin 8 Index* questions answered correctly	**49%**	**42%**	**38%**	**45%**	**47%**	**52%**	**44%**
Distribution of correct answers to the *P-Fin 8 Index* questions							
7–8 correct (76%–100%)	19%	12%	11%	16%	16%	19%	13%
5–6 correct (51%–75%)	26	23	20	22	26	30	22
3–4 correct (26%–50%)	22	26	21	24	24	25	28
0–2 correct (<26%)	33	40	48	38	35	27	37

Source: *TIAA Institute–GFLEC Personal Finance Index* (2026).

The *P-Fin 8 Index* also shows a strong link between financial literacy and a range of financial behaviors and outcomes, including financial fragility, retirement planning, nonretirement emergency savings, and time spent managing personal finances.

The correlation between the *P-Fin 8* and the full 28-question *P-Fin Index* exceeds 0.9, meaning the two measures move almost in lockstep—individuals who score high (low) on one tend to score high (low) on the other. This very strong relationship provides further corroboration that results from the eight questions closely track results from the 28 questions.

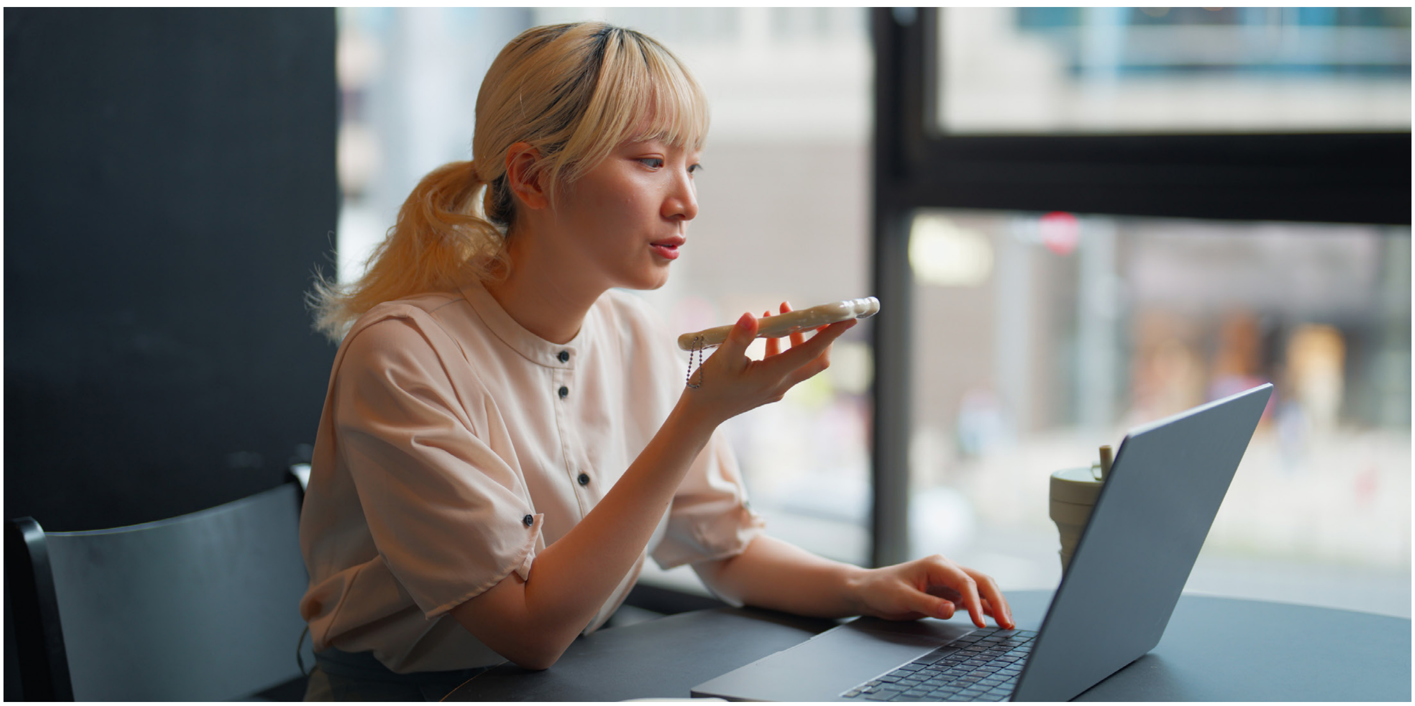
Together, these results support using the *P-Fin 8 Index* as a good proxy for the 28-question *P-Fin Index*.

AI and personal finances

AI use is increasingly common at home, with people turning to AI tools for tasks such as vacation planning, meal planning, entertainment recommendations, and fitness coaching. AI has been used increasingly in personal finance decisions as well, including budgeting, goal setting, saving and investing, debt management, tax preparation, and shopping for financial products and comparing terms.

The 2026 *P-Fin Index* survey included questions about AI for the first time, asking whether respondents have used AI tools to get information about personal finance topics and whether they've used AI to help manage their personal finances. One in five U.S. adults (19%) report having used an AI tool, such as ChatGPT, Gemini, Claude, or a bank app chatbot, to get information about a personal finance topic.[14] However, only 4% of adults say they use AI regularly (at least monthly) to help manage their personal finances, and an additional 9% say they use AI this way occasionally.[15,16]

Not surprisingly, AI use for personal finances is more common among younger generations. Almost 30% of Gen Z and 24% of Gen Y have used an AI tool to get information about personal finance topics (Figure 9). In contrast, only 8% of baby boomers have done so. Similarly, 20% of Gen Z and 16% of Gen Y regularly or occasionally use AI to help manage their personal finances, compared with 5% of baby boomers.[17]



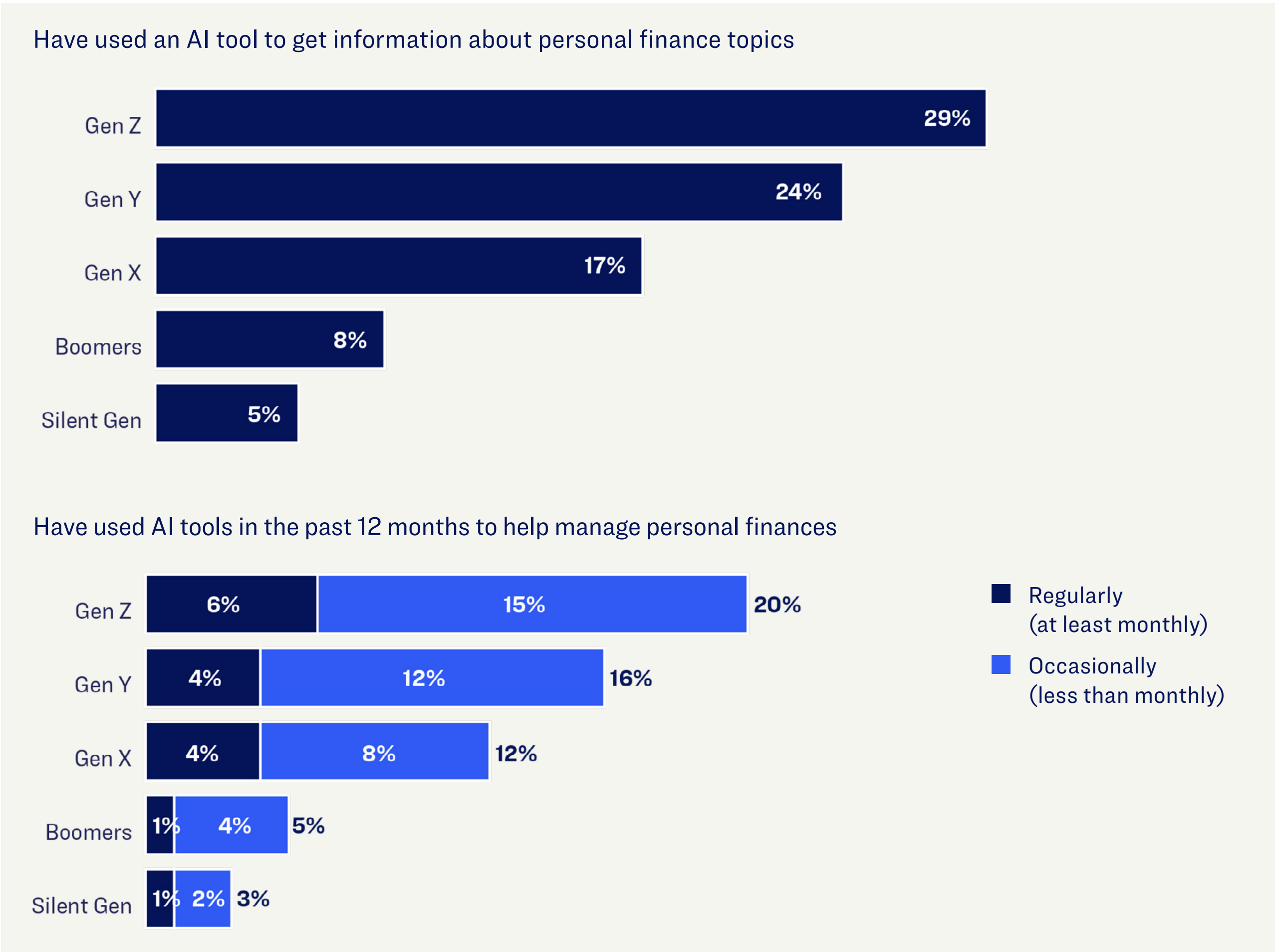
14 Seventy-nine percent have never used an AI tool to get information about personal finance topics and 3% are unsure whether they have. The exact question wording is: *Have you ever used any AI tools (e.g., ChatGPT, Gemini, Claude, bank app chatbots) to ask questions or get information about personal finance topics (such as budgeting, saving, investments, credit, taxes)?*

15 Eighty-four percent haven't used AI in the past 12 months to help manage personal finances and 4% are unsure whether they have. The exact question wording is: *In the past 12 months, have you used AI tools to help manage your personal finances or inform financial decisions?* The answer options are: (i) Yes – regularly (at least monthly); (ii) Yes – occasionally (less than monthly); (iii) No – have not used AI for this; (iv) Someone else primarily manages my finances; (v) Not sure. Those answering that someone else primarily manages their finances were excluded from the statistics reported here.

16 Among the 19% of respondents who report having used an AI tool to get information about personal finance topics, 16% have used it regularly (at least monthly) in the past 12 months to help manage their personal finances and 43% report occasional use (less than monthly), while 39% report no use in the past 12 months for this purpose. An additional 2% indicate they are not sure.

17 One in five men (22%) have used an AI tool for personal finance information and 15% regularly or occasionally use AI to help manage their personal finances. Among women, the analogous figures are 16% and 10%, respectively.

FIGURE 9. AI AND PERSONAL FINANCES

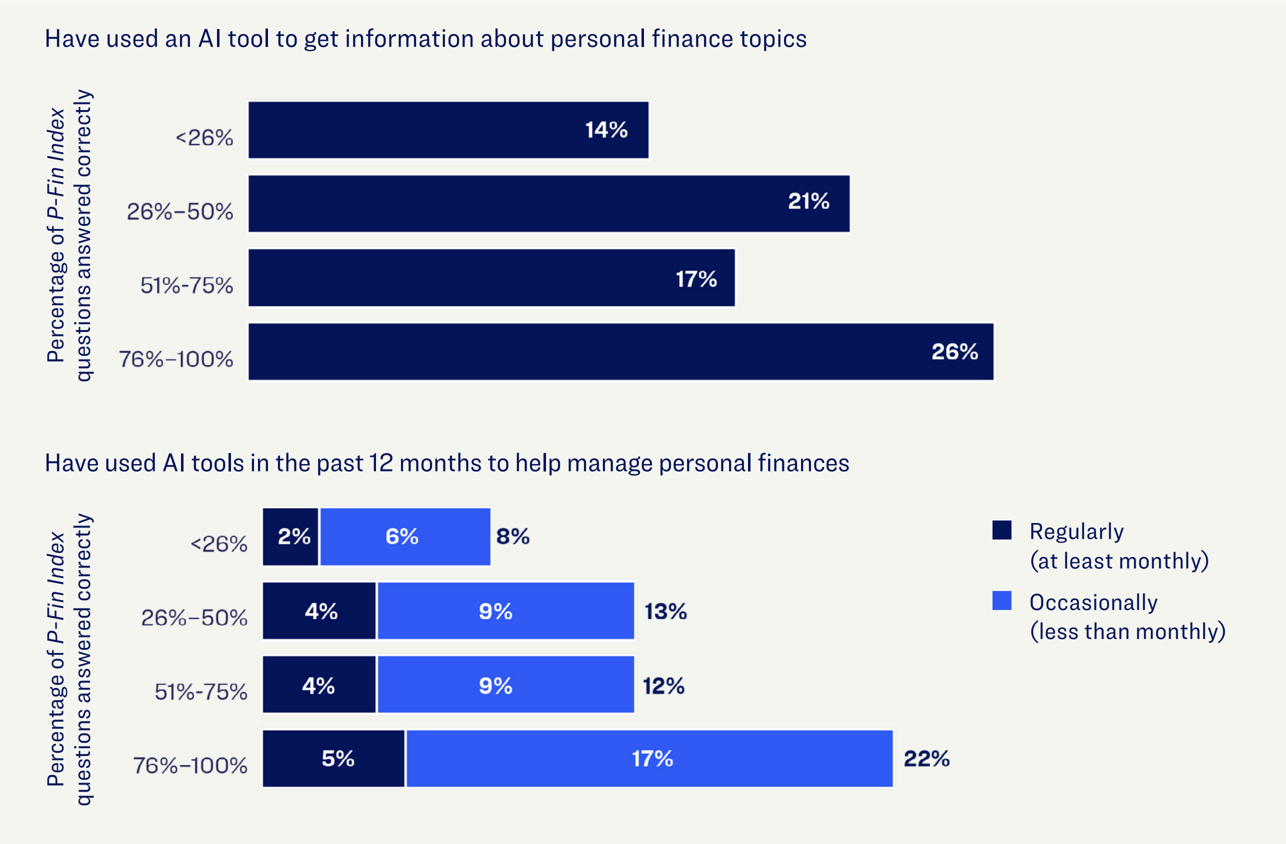


Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

At the same time, AI use is also strongly correlated with financial literacy. About one-quarter (26%) of adults with a very high level of financial literacy have used an AI tool to get information about a personal finance topic, and nearly as many, 22%, regularly or occasionally use AI to help manage their personal finances (Figure 10). In contrast, the analogous figures are 14% and 8%, respectively, among those with a very low level of financial literacy.[18] This relationship between financial literacy and AI use holds even after controlling for a range of demographic characteristics. Regression results are reported in Appendix B1.

18 Across generations, both measures of personal finance AI use are strongly correlated with financial literacy.

FIGURE 10. AI AND PERSONAL FINANCES



Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

The link between financial literacy and financial well-being

The 2026 *P-Fin Index* survey included five indicators of financial well-being. Among U.S. adults:

- **33%** find it difficult to make ends meet in a typical month.
- **31%** are debt constrained, i.e., debt and debt payments prevent them from adequately addressing other financial priorities.
- **32%** are financially fragile, i.e., they couldn't come up with $2,000 if an unexpected need arose within the next month.
- **48%** of nonretirees don't have or are unsure whether they have nonretirement savings sufficient to cover one month of living expenses if needed.
- **21%** typically spend 10 or more hours per week thinking about and dealing with issues and problems related to their personal finances.

Figure 11 reports these indicators for men and women, and across generations. Financial vulnerability is more pronounced among younger generations. From a lifecycle perspective, this pattern is not surprising. Gen Z adults, who are early in their careers and typically have fewer financial assets, are more likely to report difficulty making ends meet in a typical month, greater financial fragility, and limited emergency savings. This makes financial knowledge especially important early in adulthood to support wealth-building strategies and sound financial decision-making.

FIGURE 11. FINANCIAL WELL-BEING BY GENDER AND GENERATION

	Men	Women	Gen Z	Gen Y	Gen X	Baby boomers	Silent Generation
Find it difficult to make ends meet in a typical month	32%	34%	40%	37%	34%	23%	13%
Debt-constrained	29%	33%	31%	39%	34%	21%	9%
Financially fragile	31%	33%	42%	33%	32%	26%	17%
Don't have or unsure if have nonretirement savings to cover one month of living (among nonretirees)	45%	51%	61%	48%	42%	28%	
Typically spend 10 or more hours per week on financial issues and problems	21%	21%	23%	26%	22%	14%	11%

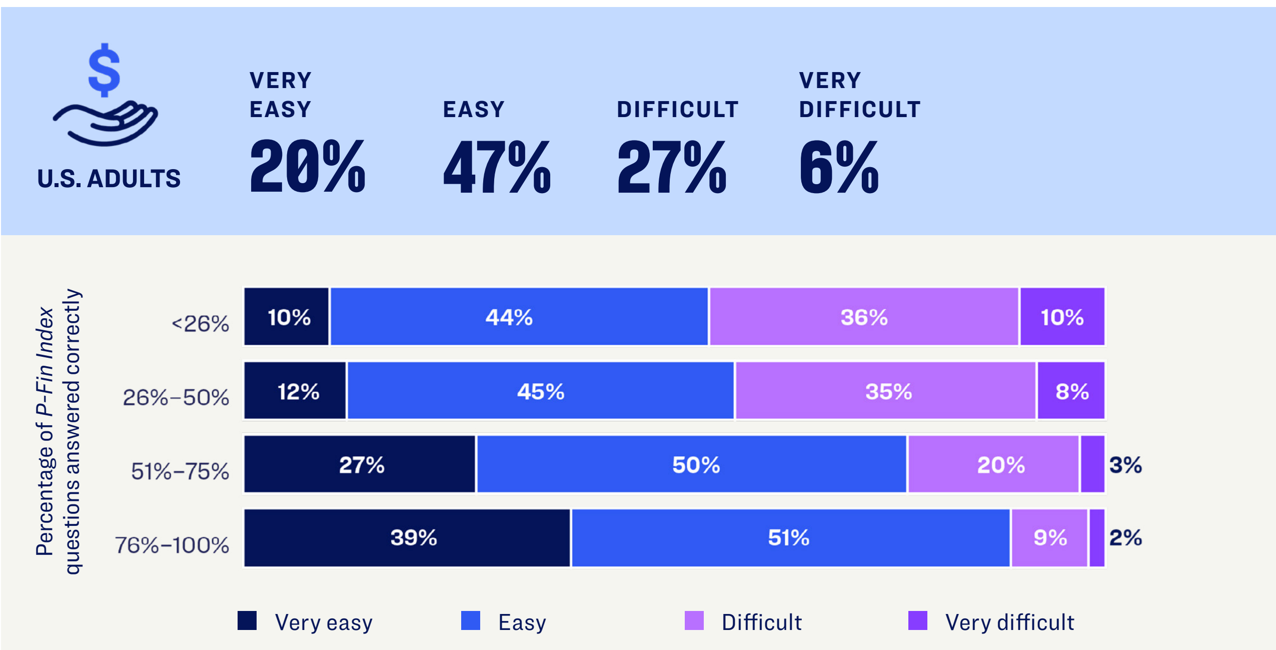
Source: *TIAA Institute–GFLEC Personal Finance Index* (2026).

As with previous years of the *P-Fin Index* survey, 2026 data demonstrate a strong link between financial well-being and financial literacy—greater financial literacy generally translates into greater financial well-being, and lower financial literacy is generally associated with lower financial well-being. Compared with those who have a very high level of financial literacy, those with a very low level of financial literacy are:

- **Four times** more likely to have trouble making ends meet (Figure 12)
- **Over twice** as likely to be debt-constrained (Figure 13)
- **Three times** more likely to be financially fragile (Figure 14)
- **Four times** more likely to lack one month of emergency savings (Figure 15)
- **Over three times** more likely to spend 10 hours or more per week on personal finance issues (Figure 16)

FIGURE 12. FINANCIAL LITERACY AND MAKING ENDS MEET

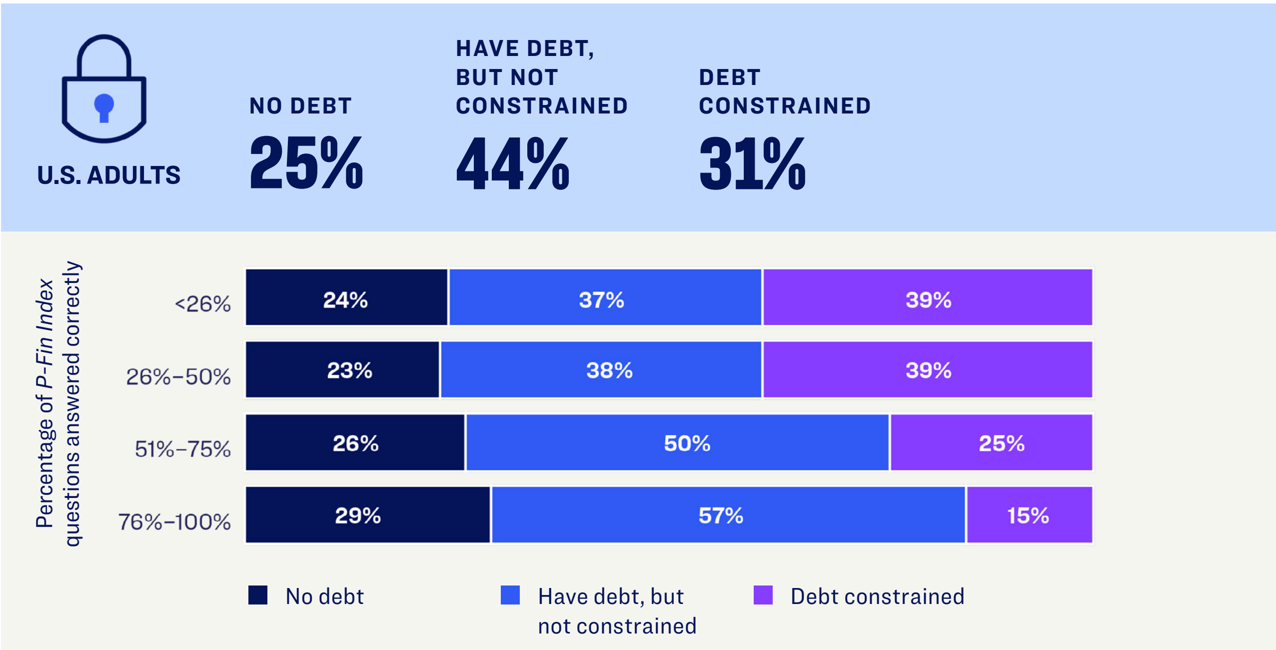
In a typical month, is it easy or difficult for you to make ends meet?



Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

FIGURE 13. FINANCIAL LITERACY AND DEBT CONSTRAINT

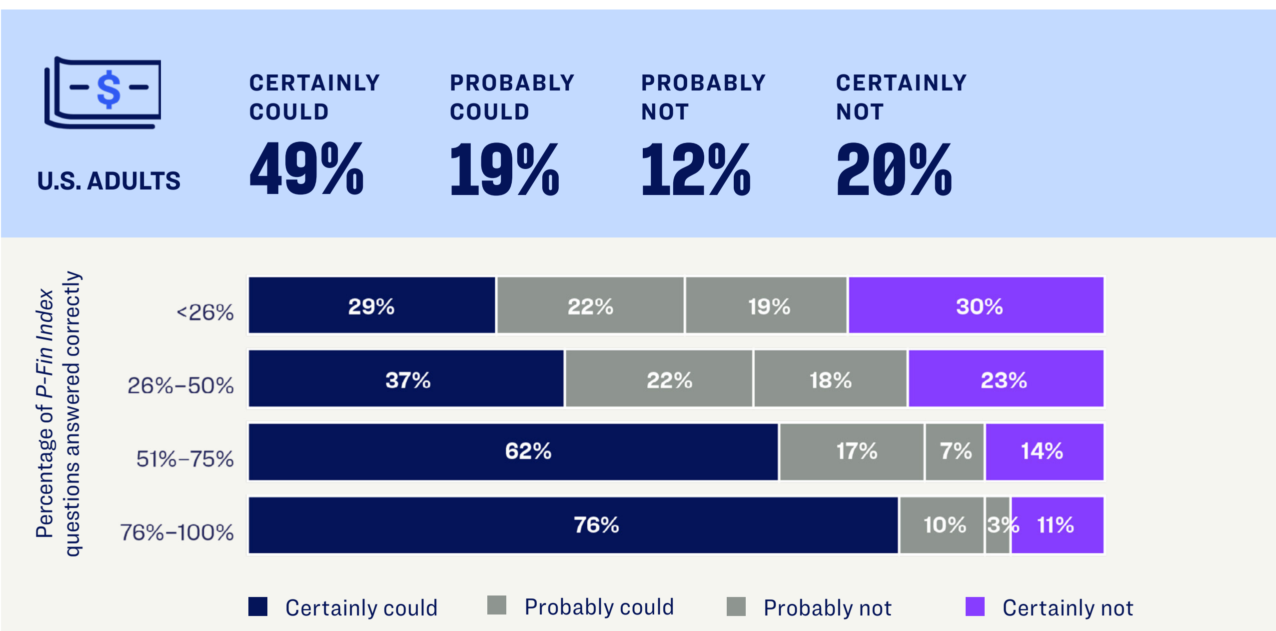
Do debt and debt payments prevent you from adequately addressing other financial priorities?



Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

FIGURE 14. FINANCIAL LITERACY AND FINANCIAL FRAGILITY

How confident are you that you could come up with $2,000 if an unexpected need arose within the next month?

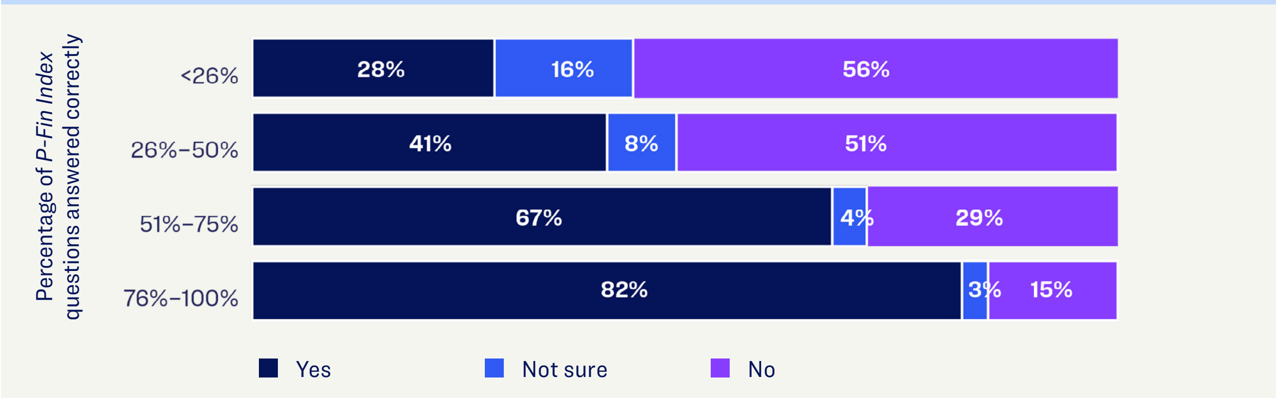


Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

FIGURE 15. FINANCIAL LITERACY AND EMERGENCY SAVINGS

Do you have nonretirement savings sufficient to cover one month of living expenses if needed? (among nonretirees)

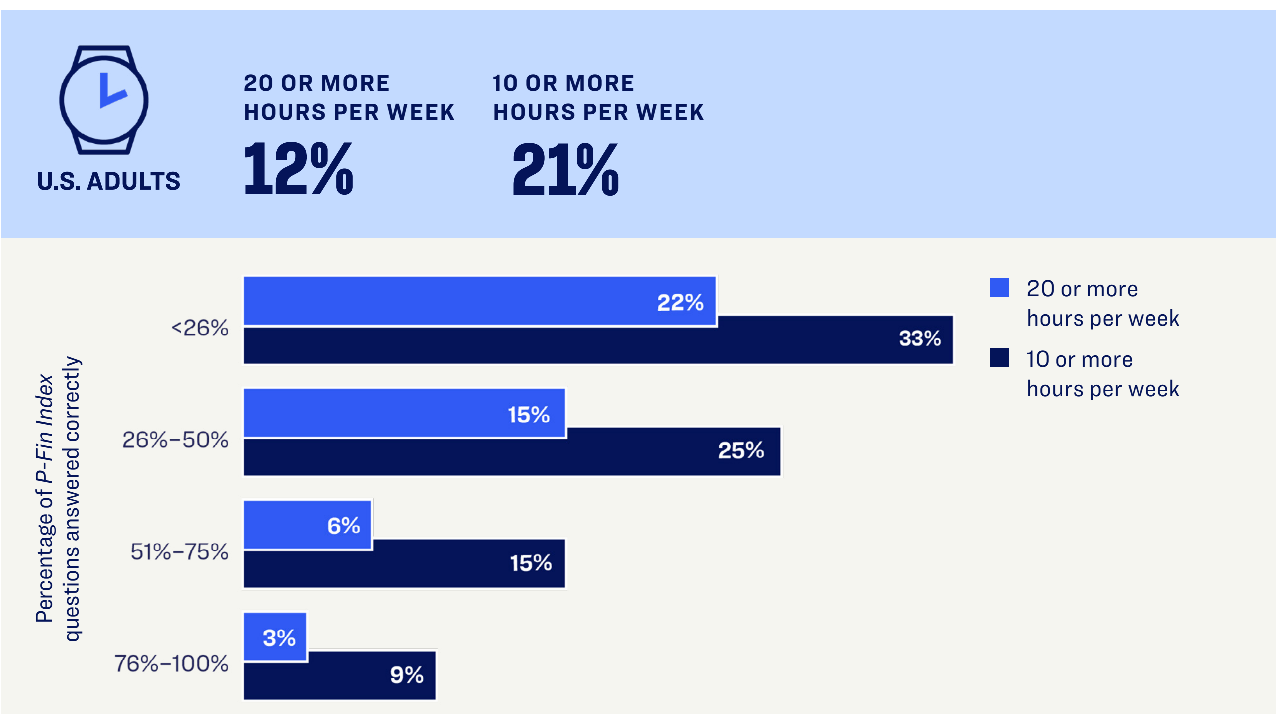
NONRETIRED ADULTS	YES	NOT SURE	NO
	52%	8%	40%



Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

FIGURE 16. FINANCIAL LITERACY AND TIME SPENT ON PERSONAL FINANCES

How much time (hours per week) do you typically spend thinking about and dealing with issues and problems related to your personal finances?



Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

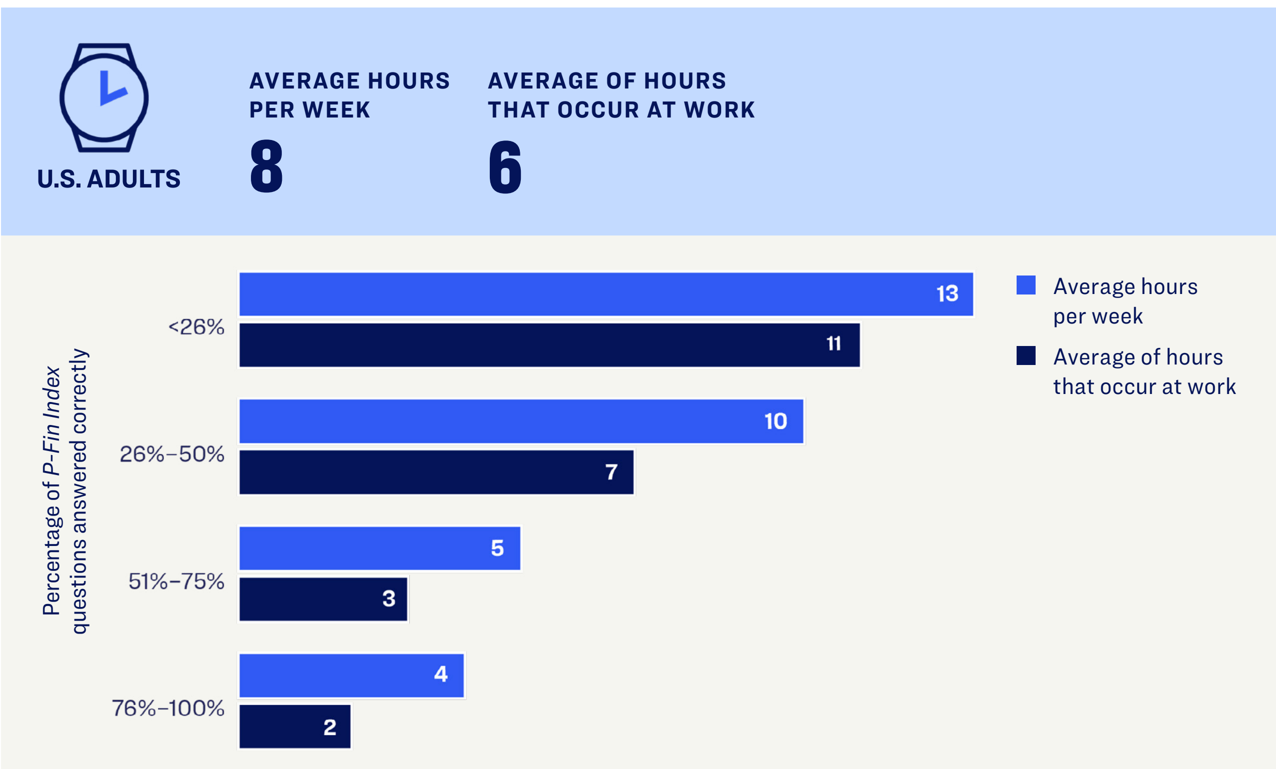
On average, U.S. adults spend eight hours per week thinking about and dealing with issues and problems related to personal finances (Figure 17).[19] Again, this dynamic varies significantly with financial literacy—those with a very high level of financial literacy average only about four hours per week compared with 13 hours among those with very low financial literacy.

The survey also asked how many of these hours occur at work. Among workers who reported spending time thinking about personal finance issues, the average time spent doing so at work is six hours per week.[20] Among workers with very low financial literacy, this figure is almost double at 11 hours per week, the equivalent of more than an entire workday.

Analogous relationships between financial literacy and financial well-being hold across men and women, as well as generations (see Appendix Figures A3–A4).

FIGURE 17. FINANCIAL LITERACY AND TIME SPENT ON PERSONAL FINANCES

How much time (hours per week) do you typically spend thinking about and dealing with issues and problems related to your personal finances?



Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

19 This includes the 17% who report spending no time on personal finance issues and problems in their typical week.

20 Among all workers, including those who spend no time on personal finance issues and problems in their typical week, this figure is approximately five hours per week.

Retirement fluency

Retirement fluency is knowledge that promotes financial well-being in retirement. Six questions in the *P-Fin Index* survey are used to gauge basic retirement fluency, each covering a distinct subject: Social Security benefits, Medicare coverage of health care expenses, employment-based retirement savings, ensuring lifetime income, likelihood of needing long-term care at older ages, and life expectancy in retirement.

Retirement fluency questions

Which statement about Social Security is false?

1. **The amount someone receives in Social Security benefits depends upon his/her earnings during the last two years of full-time employment.**
2. A worker receives Social Security benefit payments if he/she becomes disabled before retiring.
3. Social Security benefit payments will continue as long as an individual is alive, no matter how long he/she lives.
4. Don't know.

On average, Medicare and other government programs cover how much of an individual's health care expenses in retirement?

1. Over 90%.
2. **About 2/3.**
3. About 1/2.
4. Don't know.

Retirement fluency questions (continued)

Latisha plans to start saving for retirement by setting aside $2,000 this year. Her employer offers a 401(k) plan and fully matches a worker's contributions up to $5,000 each year. Under which scenario does Latisha have the largest amount in retirement savings at year-end?

1. **She contributes $2,000 to the 401(k) plan and invests the money in a mutual fund that earns a 5% return during the year.**
2. She contributes $2,000 to an IRA (individual retirement account) and invests the money in a mutual fund that earns a 5% return during the year.
3. It does not matter—she will have the same amount of year-end savings either way.
4. Don't know.

Susan worries about living a long life and running out of money. What is the best way for her to address that possibility?

1. **Buy an annuity.**
2. Buy life insurance.
3. There is nothing she can do about this.
4. Don't know.

What is the likelihood that a 65-year-old will eventually need some type of long-term care services?

1. About 30% (3 in 10).
2. About 50% (5 in 10).
3. **About 70% (7 in 10).**
4. Don't know.

On average in the U.S., how long will a 65-year-old [man/woman] live?

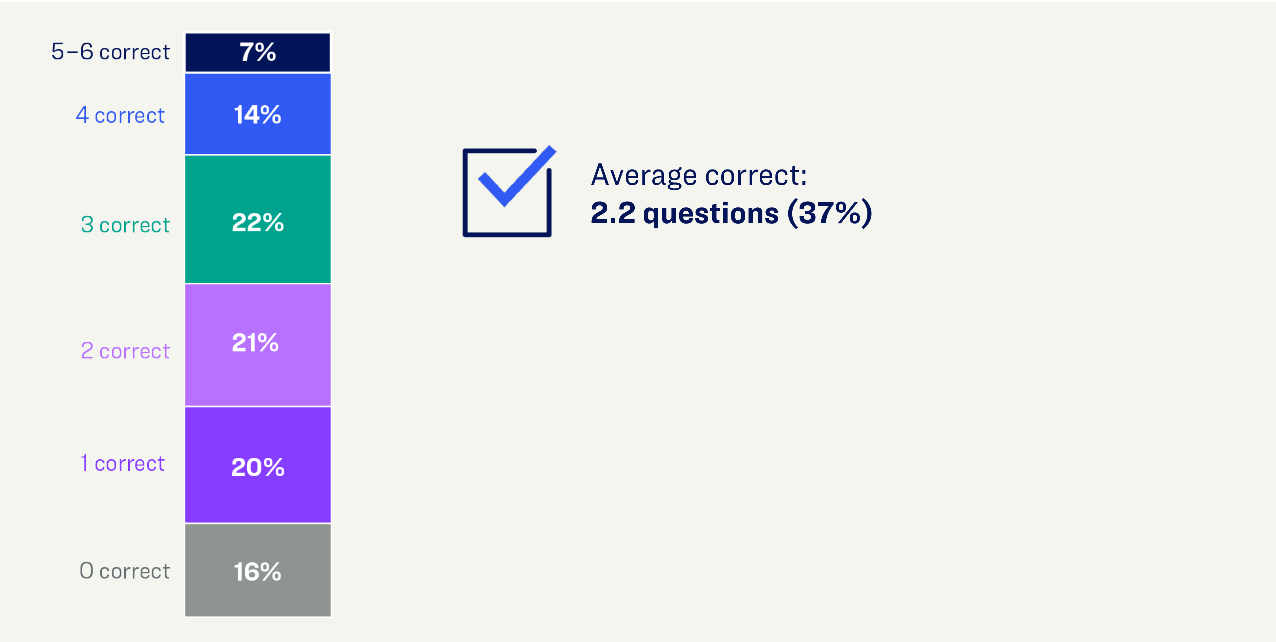
1. About 14 more years (age 79)/About 17 more years (age 82).
2. **About 19 more years (age 84)/About 22 more years (age 87).**
3. About 24 more years (age 89)/About 27 more years (age 92).
4. Don't know.

As with financial literacy, retirement fluency levels tend to be low. On average, U.S. adults correctly answered slightly more than two out of the six questions (37%).[21] Only 7% were able to correctly answer five or six of the retirement fluency questions. At the other end of the spectrum, 36% answered just one or none correctly (Figure 18).

21 This is in line with the findings of the 2024 and 2025 *P-Fin Index* surveys. See Yakoboski et al. (2024, 2025).

FIGURE 18. RETIREMENT FLUENCY

Distribution of correct answers to retirement-related questions

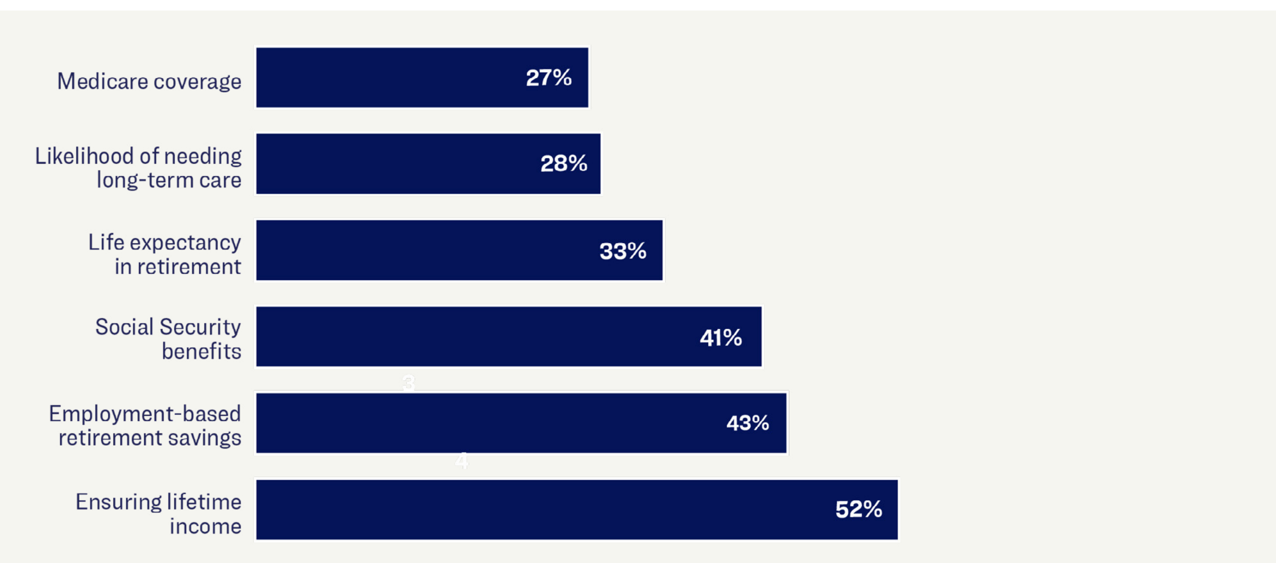


Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

The fraction of adults correctly answering each question ranges from approximately one-quarter to one-half (Figure 19). Only 27% correctly answered the question about Medicare's average coverage rate of retiree health care expenses. Likewise, only 28% correctly answered the question about the likelihood that a 65-year-old will eventually need some type of long-term care. Slightly more than half (52%) know annuities provide lifetime income.

FIGURE 19. RETIREMENT FLUENCY

Percentage correctly answering retirement-related questions



Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

Retirement fluency tends to be higher among baby boomers than among other generations (Figure 20), which isn't surprising given that many boomers are retired or nearing retirement. Nevertheless, they correctly answered fewer than half of the questions, on average. Unlike financial literacy, men and women have essentially equal levels of retirement fluency, on average.

FIGURE 20. RETIREMENT FLUENCY BY GENDER AND GENERATION

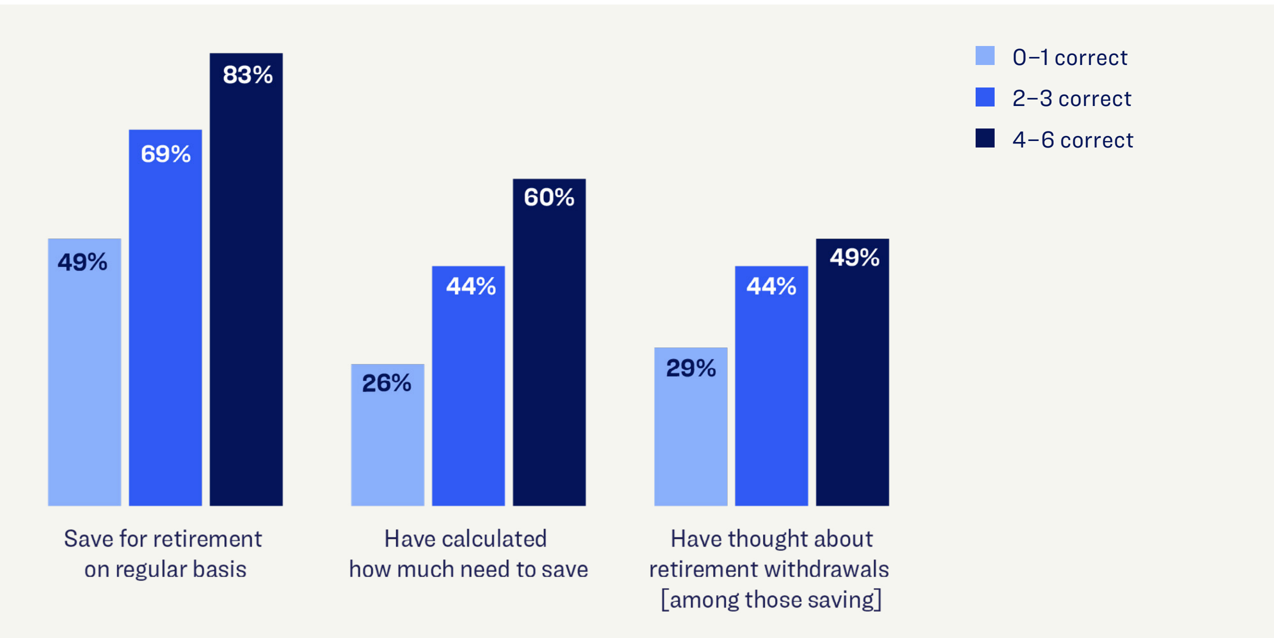
	Men	Women	Gen Z	Gen Y	Gen X	Baby boomers	Silent Generation
Percentage of retirement-related questions answered correctly	**38%**	**36%**	**29%**	**35%**	**39%**	**44%**	**38%**
Percentage correctly answering the retirement-related questions							
Ensuring lifetime income	55%	48%	34%	47%	58%	64%	59%
Employment-based retirement savings	48%	38%	37%	45%	44%	46%	36%
Social Security benefits	44%	38%	29%	37%	44%	53%	47%
Life expectancy in retirement	30%	36%	30%	31%	30%	42%	32%
Medicare coverage	27%	28%	21%	21%	29%	37%	33%
Likelihood of needing long-term care	29%	28%	26%	31%	30%	26%	22%

Source: *TIAA Institute–GFLEC Personal Finance Index* (2026).

As with financial literacy and financial well-being, there's a positive relationship between retirement fluency and retirement readiness. Over 80% of workers who correctly answered four or more of the retirement fluency questions save for retirement on a regular basis and 60% have determined how much they need to save for retirement (Figure 21). The analogous figures among those who correctly answered one or none of the questions are 49% and 26%, respectively. Those with greater retirement fluency are also more likely to have thought about how they'll withdraw money from their retirement savings to provide income in retirement.[22]

FIGURE 21. RETIREMENT FLUENCY AND RETIREMENT READINESS AMONG WORKERS

# of retirement-related questions answered correctly



Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

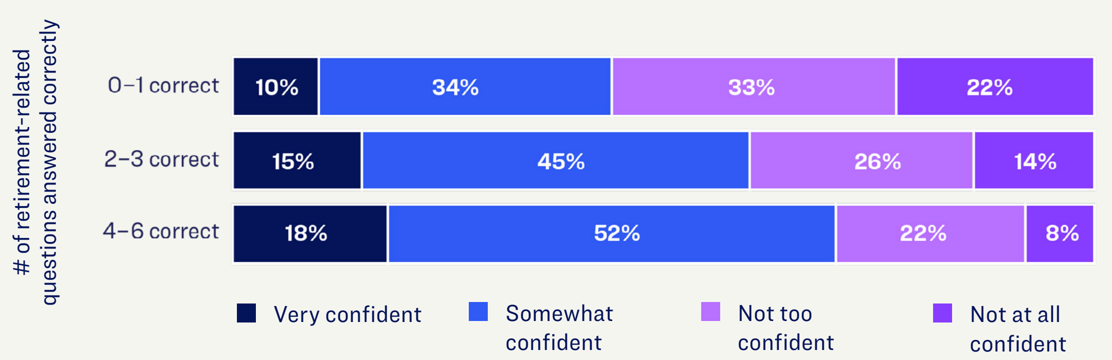
Likewise, those with greater retirement fluency tend to be more confident in their retirement income prospects. Seventy percent of those who correctly answered four or more of the retirement fluency questions are confident that they'll have enough money to live comfortably throughout retirement (Figure 22). In comparison, only 44% of those who correctly answered one or none of the questions are confident.

22 Previous analysis showed that retirement fluency and financial literacy are complements when it comes to retirement readiness, i.e., there's a statistically significant relationship between retirement fluency and planning for retirement and between financial literacy and planning for retirement. See Yakoboski et al. (2025).

FIGURE 22. RETIREMENT FLUENCY AND RETIREMENT INCOME CONFIDENCE

How confident are you that you'll have enough money to live comfortably throughout your retirement years?

	VERY CONFIDENT	SOMEWHAT CONFIDENT	NOT TOO CONFIDENT	NOT AT ALL CONFIDENT
U.S. WORKERS	14%	43%	28%	16%



Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

Discussion

The 2026 *P-Fin Index* marks an important milestone: 10 years of tracking financial literacy among U.S. adults. Over this decade, the *P-Fin Index* has consistently demonstrated that knowledge matters. Individuals with greater financial literacy tend to have better personal finance outcomes compared with those with lower financial literacy.

To mark this anniversary, we created the *P-Fin 8 Index*, an abbreviated eight-question measure that serves as a proxy for the full 28-question index. The *P-Fin 8 Index* is designed for researchers, practitioners, and organizations who want to incorporate a short, standardized measure of financial literacy into their surveys, evaluations, or program assessments with the ability to benchmark results against national statistics.

This 10-year milestone also brings concerning findings. Financial literacy among U.S. adults is moving in the wrong direction. After years of stagnation, the 2026 results show a statistically significant decline, with respondents now correctly answering only 47% of the index questions on average. More troubling than the overall decline is the changing composition of financial literacy in America. The share of adults demonstrating very low financial literacy (correctly answering seven or fewer of the 28 questions) has grown from 20% in 2017 to 25% in 2026. This steady increase in the proportion of the population at the bottom of the knowledge distribution is pulling average scores downward and shows that a growing segment of the population is particularly ill-equipped to navigate everyday financial decisions.

The situation appears particularly concerning among younger Americans. Gen Z correctly answered only 38% of the index questions in 2026, far below older generations. The disparity is driven largely by an alarmingly high share of young adults with very low financial literacy. These young people are entering adulthood (a period filled with consequential financial decisions about education, employment, housing, credit, and savings) without the foundational knowledge to make sound choices.

This doesn't mean increased financial literacy is itself a panacea for poor financial well-being. Clearly, other factors matter, including resources and access to appropriate products and opportunities in the financial system, such as an employment-based retirement savings plan. But at the same time, the ability to make sound financial decisions matters as well. It could matter even more for those with fewer financial resources.

These troubling trends underscore the urgent need for expanded financial education initiatives, particularly those targeting young people. Financial literacy is a form of lifelong learning, and individuals benefit from education and resources at all life stages. However, the poor performance among Gen Z makes clear that much more must be done to reach young people before they make critical financial decisions. School-based financial education—from primary through higher education—provides a vital opportunity to equip the next generation with essential knowledge. At the same time, workplace programs for working-age adults and community-based initiatives for retirees remain important for addressing knowledge gaps across the lifespan.

The need for targeted interventions extends beyond age. Persistent demographic disparities in financial literacy mean that one size doesn't fit all when it comes to financial education. Some groups, women, for example, consistently display lower levels of financial literacy and would benefit from initiatives and programs specifically designed to meet their needs and circumstances. Additionally, comprehending risk remains the weakest functional knowledge area across all demographic groups, with adults correctly answering only 36% of risk-related questions. This type of knowledge has applications far beyond investing, including insurance decisions, understanding warranties, and evaluating various financial products. Improved risk literacy could yield significant financial benefits for many Americans and represents a critical area where targeted educational efforts are needed.

After a decade of measurement, the evidence is clear: Financial literacy matters for financial well-being, yet too many Americans (especially young adults) lack essential knowledge. The new *P-Fin 8 Index* provides a simple tool for measuring progress, but the recent declines demand action to reverse course and build a more financially literate nation.

References

Coppola, M., Langley, G., Sabatini, M., & Wolf, R. (2017). When will the penny drop? Money, financial literacy and risk in the digital age. *International Pension Papers*, *1*, 1–31. Allianz. https://gflec.org/wp-content/uploads/2017/01/AGI-IPP_1-17_Financial-Literacy_FINAL.pdf

Kaiser, T., Lusardi, A., Oberrauch, L., & Sticha, A. (2026). *Measuring personal financial literacy with a short scale* (Working Paper).

Lusardi, A. (2015). Risk literacy. *Italian Economic Journal*, *1*(1), 5–23. https://doi.org/10.1007/s40797-015-0011-x

Lusardi, A., & Mitchell, O. S. (2007). Baby Boomer retirement security: The roles of planning, financial literacy, and housing wealth. *Journal of Monetary Economics*, *54*(1), 205–24. https://doi.org/10.1016/j.jmoneco.2006.12.001

Lusardi, A., & Mitchell, O. S. (2014). The economic importance of financial literacy: Theory and evidence. *Journal of Economic Literature, 52*(1), 5–44. http://dx.doi.org/10.1257/jel.52.1.5

Lusardi, A., & Mitchell, O. S. (2023). The importance of financial literacy: Opening a new field. *Journal of Economic Perspectives*, *37*(4), 137–54. https://www.aeaweb.org/articles?id=10.1257/jep.37.4.137

Lusardi, A., Oggero, N., & Yakoboski, P. (2017). *The TIAA Institute–GFLEC Personal Finance Index: A new measure of financial literacy*. TIAA Institute; Global Financial Literacy Excellence Center. https://www.tiaa.org/public/institute/publication/2017/2017-personal-finance-index-new-measure-financial-literacy

Yakoboski, P., Lusardi, A., & Hasler, A. (2018). *The 2018 TIAA Institute–GFLEC Personal Finance Index: The state of financial literacy among U.S. adults*. TIAA Institute; Global Financial Literacy Excellence Center. https://www.tiaa.org/public/institute/publication/2018/2018-tiaa-institute-gflec-personal-finance-index

Yakoboski, P., Lusardi, A., & Hasler, A. (2019). *Financial literacy in the United States and its link to financial wellness: The 2019 TIAA Institute–GFLEC Personal Finance Index*. TIAA Institute; Global Financial Literacy Excellence Center. https://www.tiaa.org/public/institute/publication/2019/2019-tiaa-institute-gflec-personal-finance-index

Yakoboski, P., Lusardi, A., & Hasler, A. (2020). *The 2020 TIAA Institute–GFLEC Personal Finance Index: Many do not know what they do and do not know*. TIAA Institute; Global Financial Literacy Excellence Center. https://www.tiaa.org/public/institute/publication/2020/2020-tiaa-institute-gflec-personal-finance-index

Yakoboski, P., Lusardi, A., & Hasler, A. (2021). *Financial well-being and literacy in the midst of a pandemic: The 2021 TIAA Institute–GFLEC Personal Finance Index*. TIAA Institute; Global Financial Literacy Excellence Center. https://www.tiaa.org/public/institute/publication/2021/2021-tiaa-institute-gflec-personal-finance-index

Yakoboski, P., Lusardi, A., & Hasler, A. (2022). *How financial literacy varies among U.S. adults: The 2022 TIAA Institute–GFLEC Personal Finance Index*. TIAA Institute; Global Financial Literacy Excellence Center. https://www.tiaa.org/public/institute/publication/2022/2022-tiaa-institute-gflec-personal-finance-index

Yakoboski, P., Lusardi, A., & Hasler, A. (2023). *Financial well-being and literacy in a high-inflation environment: The 2023 TIAA Institute–GFLEC Personal Finance Index*. TIAA Institute; Global Financial Literacy Excellence Center. https://www.tiaa.org/public/institute/publication/2023/financial-well-being-and-literacy-in-a-high-inflation-environmen

Yakoboski, P., Lusardi, A., & Sticha, A. (2024). *Financial literacy and retirement fluency: New insights for improving financial well-being*. TIAA Institute; Global Financial Literacy Excellence Center. https://www.tiaa.org/public/institute/publication/2024/financial-literacy-and-retirement-fluency

Yakoboski, P., Lusardi, A., & Sticha, A. (2025). *Financial literacy and retirement fluency in America: Findings from the 2025 TIAA Institute–GFLEC Personal Finance Index*. TIAA Institute; Global Financial Literacy Excellence Center. https://www.tiaa.org/content/dam/tiaa/institute/pdf/insights-report/2025-05/financial-literacy-and-retirement-fluency-in-america-p-fin-ir.pdf

Appendix A

Additional cross-tabulations

FIGURE A1. DISTRIBUTION OF RESPONDENT DEMOGRAPHICS IN THE 2026 *P-FIN INDEX* (WEIGHTED SAMPLE)

	All	Gen Z	Gen Y	Gen X	Baby boomers	Silent Generation
Gender						
Male	49%	50%	50%	49%	46%	47%
Female	51	50	50	51	54	53
Education						
Less than HS degree	9%	12%	7%	9%	9%	13%
High school degree	28	33	25	27	29	28
Associate degree or some college	26	31	24	23	28	25
Bachelor's degree or higher	36	24	44	41	34	34
Household income						
Less than $25,000	9%	12%	9%	9%	8%	10%
$25,000 to $49,999	14	15	11	11	16	21
$50,000 to $99,999	26	27	25	23	29	34
$100,000 and more	51	45	55	57	48	35
Employment status						
Employed	57%	60%	80%	71%	22%	4%
Retired	27	2	3	17	75	95
Unemployed or disabled	7	13	7	7	1	1
Homemaker	4	2	9	5	1	–
Student	5	22	1	0	–	–
Ethnicity						
Asian	7%	7%	9%	7%	6%	3%
Black	12	13	13	12	11	8
Hispanic	18	25	22	19	10	12
White	60	51	54	59	71	76
Other	2	3	2	3	2	1
Generation						
Gen Z	20%	100%	–	–	–	–
Gen Y (millennials)	28	–	100%	–	–	–
Gen X	24	–	–	100%	–	–
Baby boomers	24	–	–	–	100%	–
Silent Generation	4	–	–	–	–	100%

Source: *TIAA Institute–GFLEC Personal Finance Index* (2026).

FIGURE A2. FINANCIAL LITERACY BY DEMOGRAPHICS

Percentage of *P-Fin Index* questions answered correctly

Race and ethnicity	
Asian	53%
Black	36%
Hispanic	39%
White	51%
Education	
Less than high school degree	30%
High school degree	36%
Associate degree or some college	46%
Bachelor's degree or higher	61%

Household income	
Less than $25,000	28%
$25,000 to $49,999	35%
$50,000 to $99,999	45%
$100,000 or more	55%
Financial education	
Received financial education	56%
No financial education	43%
Employment status	
Employed	48%
Unemployed or disabled	35%
Retired	50%

Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

FIGURE A3. FINANCIAL LITERACY AND FINANCIAL WELL-BEING (BY GENDER)

	Men		**Women**	
	% of *P-Fin Index* questions answered correctly			
	≤50%	**>50%**	**≤50%**	**>50%**
Difficult to make ends meet in a typical month	48%	18%	43%	21%
Debt prevents adequately addressing other financial priorities	39%	20%	39%	24%
Could not come up with $2,000 for an unexpected need	45%	19%	44%	19%
Don't have one month of nonretirement savings (if nonretired)	53%	24%	53%	24%
Spend 20+ hours per week on financial issues	17%	5%	16%	5%

Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

FIGURE A4. FINANCIAL LITERACY AND FINANCIAL WELL-BEING (BY GENERATION)

	Gen Z		Gen Y		Gen X		Baby boomers	
	Percentage of *P-Fin Index* questions answered correctly							
	≤50%	>50%	≤50%	>50%	≤50%	>50%	≤50%	>50%
Difficult to make ends meet in a typical month	47%	27%	51%	20%	46%	21%	37%	13%
Debt prevents adequately addressing other financial priorities	37%	21%	47%	29%	42%	26%	31%	13%
Could not come up with $2,000 for an unexpected need	53%	25%	46%	17%	46%	19%	36%	19%
Don't have one month of nonretirement savings (if nonretired)	61%	30%	56%	24%	45%	24%	35%	13%
Spend 20+ hours per week on financial issues	17%	6%	20%	7%	17%	6%	11%	3%

Source: *TIAA Institute-GFLEC Personal Finance Index* (2026).

Appendix B

Multivariate findings

FIGURE B1. REGRESSION ANALYSIS

	(1) Have used AI to get information on personal finance topics	(2) Have used AI to get information on personal finance topics	(3) Regularly or occasionally use AI to manage personal finances	(4) Regularly or occasionally use AI to manage personal finances
Total # of *P-Fin Index* questions correct	0.006***		0.006***	
	(0.001)		(0.001)	
>50% of *P-Fin Index* questions correct		0.039**		0.052***
		(0.015)		(0.014)
Gender (Ref.: Male)				
Female	-0.048***	-0.055***	-0.039***	-0.045***
	(0.013)	(0.014)	(0.012)	(0.012)
Age (Ref.: Gen Z)				
Gen Y	-0.083***	-0.079***	-0.075***	-0.070***
	(0.026)	(0.026)	(0.022)	(0.022)
Gen X	-0.167***	-0.160***	-0.120***	-0.114***
	(0.026)	(0.026)	(0.023)	(0.023)
Baby boomers	-0.251***	-0.240***	-0.189***	-0.178***
	(0.030)	(0.030)	(0.026)	(0.026)
Silent Generation	-0.270***	-0.263***	-0.202***	-0.195***
	(0.037)	(0.037)	(0.031)	(0.031)
Race/Ethnicity (Ref.: White)				
Black	0.128***	0.121***	0.068***	0.063***
	(0.024)	(0.024)	(0.020)	(0.020)
Hispanic	0.068***	0.065***	0.047***	0.045**
	(0.020)	(0.021)	(0.018)	(0.018)
Asian	0.165***	0.166***	0.124***	0.125***
	(0.032)	(0.033)	(0.029)	(0.029)
Other	0.130***	0.126**	0.076*	0.073*
	(0.049)	(0.050)	(0.042)	(0.042)
Education (Ref.: Less than HS)				
High school	0.015	0.021	-0.012	-0.005
	(0.026)	(0.026)	(0.023)	(0.023)
Some college	0.037	0.050*	0.004	0.016
	(0.027)	(0.027)	(0.025)	(0.025)
Bachelor's degree or higher	0.061**	0.085***	0.039	0.061**
	(0.028)	(0.028)	(0.026)	(0.026)

FIGURE B1. REGRESSION ANALYSIS (CONTINUED)

	(1) Have used AI to get information on personal finance topics	(2) Have used AI to get information on personal finance topics	(3) Regularly or occasionally use AI to manage personal finances	(4) Regularly or occasionally use AI to manage personal finances
Income (Ref.: <$25K)				
$25–$50K	-0.049*	-0.043	-0.030	-0.025
	(0.028)	(0.028)	(0.024)	(0.024)
$50–$100K	-0.037	-0.026	-0.039*	-0.029
	(0.027)	(0.027)	(0.023)	(0.023)
>$100K	-0.044	-0.029	-0.038	-0.026
	(0.028)	(0.028)	(0.024)	(0.025)
Work status (Ref.: Employed)				
Unemployed/disabled	-0.009	-0.009	-0.021	-0.021
	(0.022)	(0.022)	(0.019)	(0.019)
Retired	0.006	0.007	0.014	0.015
	(0.020)	(0.021)	(0.018)	(0.018)
Marital status (Ref.: Married)				
Single	-0.031	-0.032	-0.002	-0.004
	(0.021)	(0.021)	(0.018)	(0.018)
Widowed/divorced/separated	0.051***	0.052***	0.032**	0.032**
	(0.018)	(0.018)	(0.016)	(0.016)
Children under age 18				
Yes	0.008	0.007	0.020	0.020
	(0.018)	(0.018)	(0.015)	(0.015)
Constant	0.226***	0.261***	0.152***	0.186***
	(0.044)	(0.044)	(0.038)	(0.038)
Observations	3,570	3,570	3,495	3,495
R-squared	0.083	0.076	0.071	0.062

Note: Estimated OLS regression coefficients are compared with the following reference values (Ref.): male for the gender variable, White for the race/ethnicity variable, Gen Z for the age variable, household income of less than $25,000 for the income variable, having less than a high school degree for the educational attainment variable, employed for the work status variable, and being married for the marital status variable. The two different specifications of the financial literacy variables are the following: (1) total number of *P-Fin Index* questions answered correctly and (2) a variable indicating those answering more than 50% of the *P-Fin Index* questions correctly (representing those more financially literate than the average). Robust standard errors are given in parentheses: ∗p<0.10, ∗∗p<0.05, ∗∗∗p<0.01.

Source: *TIAA Institute–GFLEC Personal Finance Index* (2026).

About the authors

Paul Yakoboski is a senior economist with the TIAA Institute, where his research focuses on lifetime financial security, including issues related to financial literacy, longevity literacy, retirement saving and investing, and asset management during retirement. In addition, he researches workforce issues in the higher education and health care sectors. Prior to joining the TIAA Institute, Yakoboski held positions with the American Council of Life Insurers, the Employee Benefit Research Institute, and the U.S. Government Accountability Office. Yakoboski earned an MA and PhD in economics from the University of Rochester and a BS in economics from Virginia Tech.

Annamaria Lusardi is a Senior Fellow at the Stanford Institute for Economic Policy Research (SIEPR) and the Faculty Director of the Stanford Initiative for Financial Decision-Making, a collaboration among the Graduate School of Business (GSB), SIEPR, and the Economics Department. She is also Professor of Finance (by courtesy) at the GSB and the Founder and Academic Director of the Global Financial Literacy Excellence Center (GFLEC). Previously, she was University Professor at The George Washington University, and before that she was the Joel Z. and Susan Hyatt Professor of Economics at Dartmouth College. She's also taught at Princeton University, the University of Chicago's Harris School of Public Policy and Booth School of Business, and Columbia Business School, and she was a visiting scholar at Harvard Business School. She holds a PhD in economics from Princeton University and an honorary doctorate from the University of Vaasa in Finland.

Andrea Sticha is the Research Director for the Initiative for Financial Decision-Making at Stanford University's Graduate School of Business. Previously, she was an Assistant Research Professor at The George Washington University School of Business (GWSB). With her research, which is dedicated to financial literacy and well-being of households in the United States and around the world, she seeks to inform policy as well as develop and promote financial literacy programs. Sticha holds a PhD in finance and a MSc and BA in business and economics from the University of Basel (Switzerland). She's published her research in numerous journals and spent two years at NYU Stern School of Business before joining GWSB in 2017.

Fran Mastry is a quantitative analyst at the TIAA Institute. She assists with research on household retirement plans and lifetime financial security. Before joining the TIAA Institute, Fran taught economics as an adjunct at Central Piedmont Community College and helped higher education institutions improve their occupational safety and environmental sustainability programs. She has received training at the Institute for Studies in Global Prosperity. Fran earned a BA in economics and communication from UC San Diego and a Master's in applied economics from the University of Maryland.

About the TIAA Institute

Since 1998, the TIAA Institute has helped advance the ways individuals and institutions plan for financial security and organizational effectiveness. The Institute conducts in-depth research, provides access to a network of thought leaders, and enables those it serves to anticipate trends, plan future strategies and maximize opportunities for success. To learn more, visit **tiaainstitute.org**.

About GFLEC

The Global Financial Literacy Excellence Center (GFLEC) is committed to advancing research and developing solutions that promote universal financial literacy. As part of Stanford University's Initiative for Financial Decision-Making, GFLEC serves as a global hub for innovative research in financial literacy and personal finance. Founded in 2011 in Washington, D.C., the center is now housed at the Stanford Graduate School of Business, where it continues to develop tools to measure financial literacy and conduct research that informs educational programs, policy, and national strategies worldwide. For more information, visit **www.gflec.org**.

5461220

TIAA Institute

Stanford | GFLEC
Global Financial Literacy Excellence Center

(06/26)