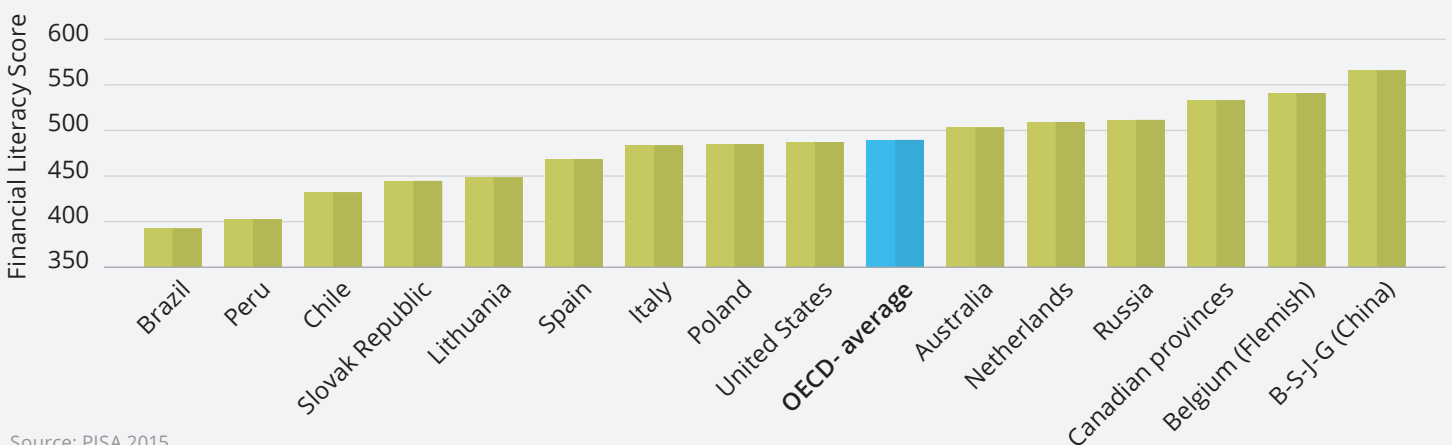


# Financial Literacy in the U.S.

The Programme for International Student Assessment (PISA) is a triennial global survey that measures ability and knowledge of 15-year-olds. One component of this assessment shows how well-prepared students are to make financial decisions as they enter society.

## Student Financial Literacy around the World

On average, U.S. students' financial literacy scores are close to the average score of students from the 10 OECD countries and economies that participated in the 2015 PISA, the most recent wave.



Source: PISA 2015



**LEVEL 2** is the OECD baseline of financial literacy proficiency.

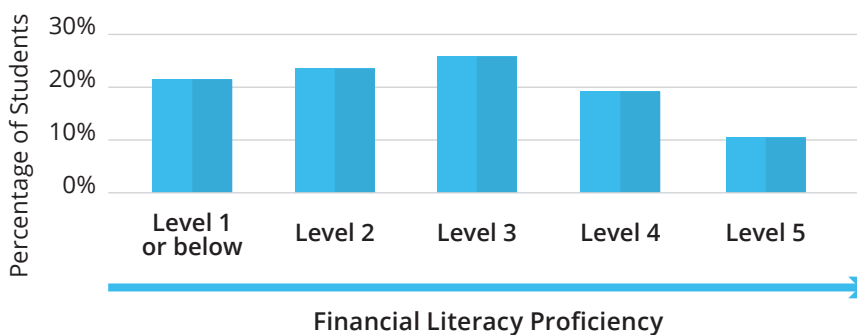
Source: PISA 2015

Students' financial literacy scores were put on a proficiency scale that ranges from Level 1, lacking basic financial skills, to Level 5, highly proficient in financial skills.



There has been **NO SIGNIFICANT IMPROVEMENT** in financial literacy of U.S. students from 2012 to 2015.

## U.S. Student Performance



Source: PISA 2015



**1 in 5**  
students lack basic financial skills.

**1 in 10**  
students are considered highly proficient.

Students who are considered socioeconomically disadvantaged score, on average, at proficiency level 2 while students who are considered socioeconomically advantaged score around proficiency level 4. This is a significant 97 point difference between students.

## Student Background

The social, cultural, and economic background of students influences how well-prepared they are to make financial decisions. The wide array of backgrounds and experiences of U.S. students may contribute to their range of financial literacy scores.

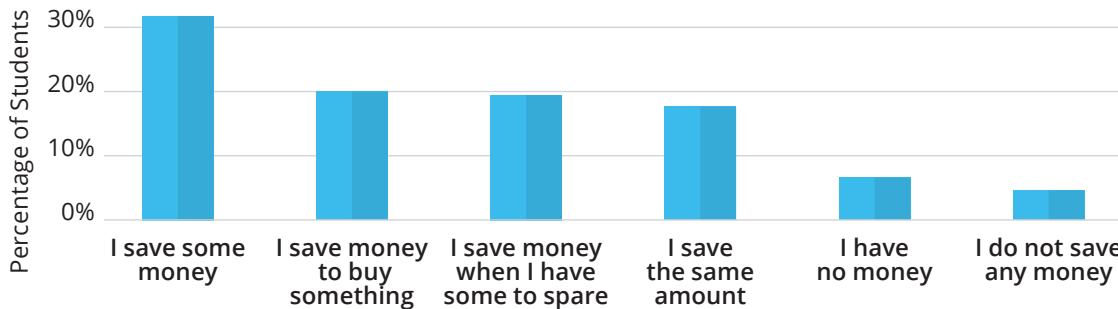
Socioeconomically disadvantaged	SOCIOECONOMIC INDEX			Socioeconomically advantaged
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	
	445	469	499	542

FINANCIAL LITERACY SCORE

## Students and Money

In addition to their socioeconomic background, students' financial literacy is affected by their interaction with financial institutions. The majority of U.S. students receive some form of income, and therefore need to make financial decisions about saving and spending.

**Many U.S. students understand the value of saving but it is not a priority.**



Source: PISA 2015

**32%** of students report that they save some money.

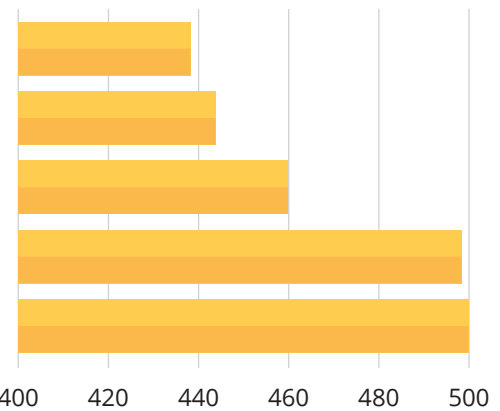
**39%** of students report that they save money only when they have some to spare or want to buy something.

Students who reported that they would either **SAVE UP** for or **NOT BUY** something they wanted had higher financial literacy scores.



### If I don't have enough money to buy something I really want... I would...

- Try to borrow money from a friend
- Buy it with money that really should be used for something else
- Try to borrow money from a family member
- Save up to buy it
- Not buy it



Source: PISA 2015

**FINANCIAL LITERACY MATTERS**  
Financial literacy correlates with saving behavior.

## The Impact of Financial Literacy on Students

Financial literacy is an essential skill, much like reading and writing. The PISA financial literacy results are important because they reveal not just level of knowledge but how effectively students can apply that knowledge in everyday situations. Students with a foundation of financial knowledge gained through effective financial education can anticipate the consequences of their financial decisions before those decisions are made.