



Research Paper

FinHealth Spend Report 2025

Spending Growth Slows, but Pressure Persists
for Vulnerable Households

October 2025

Executive Summary

This year's FinHealth Spend Report examines how American households engaged with the financial services system during 2024, a year marked by both economic moderation and underlying unease. Inflation continued to cool in 2024, with the Consumer Price Index (CPI) rising 2.9% in the 12 months leading up to December – down from 3.4% in 2023 and 6.5% in 2022.¹ Meanwhile, gross domestic product (GDP) grew by nearly 3%, reflecting increases in consumer spending and investment.²

Yet after years of elevated inflation, rising costs of living, and the end of pandemic-era government support, discontent lingered. The Financial Health Pulse® 2025 U.S. Trends Report found that despite some small, short-term gains in financial health, there were also signs of underlying consumer unease.³ Similarly, the Federal Reserve Board's Survey of Household Economics and Decisionmaking found that while household financial well-being remained fairly stable compared with two years prior, concerns over prices persisted.⁴ According to the Pew Research Center, relatively few people felt the economy was strong.^{5,6}

Our survey data for this year's FinHealth Spend Report were collected at a pivotal moment – during the final weeks of the Biden administration and the earliest days of the Trump administration in January 2025. Combined with secondary data, this report provides insight into household use of financial services at the turning point between two presidential administrations with vastly different approaches to the economy.

Against this backdrop, we find that:

- **Fees and interest on non-mortgage financial services continued to grow**, albeit at a more moderate pace than the year prior. Estimated fees and interest in 2024 increased nearly \$40 billion from 2023, reaching an estimated \$455 billion (see Figure ES1).⁷
- **Spending on credit products and services** continued to drive overall spending growth. This category includes auto loans, unsecured installment loans, student loans, alternative financial services, and revolving credit card balances. Credit spending rose 11% year over year to

¹ "Consumer Price Index: 2024 in review," U.S. Bureau of Labor Services, January 2025.

² "Gross Domestic Product, 4th Quarter and Year 2024 (Third Estimate), GDP by Industry, and Corporate Profits," Bureau of Economic Analysis, March 2025.

³ Andrew Warren, Shira Hammerslough, Wanjira Chege, & Taylor C. Nelms, "Financial Health Pulse® 2025 U.S. Trends Report," September 2025.

⁴ "Economic Well-Being of U.S. Households in 2024," Board of Governors of the Federal Reserve System, May 2025.

⁵ "Public's Positive Economic Ratings Slip; Inflation Still Widely Viewed as Major Problem," Pew Research Center, May 2024.

⁶ Gary Langer, "Exit polls 2024: Deep economic discontent with Biden drove voters to Trump," ABC News, November 2024.

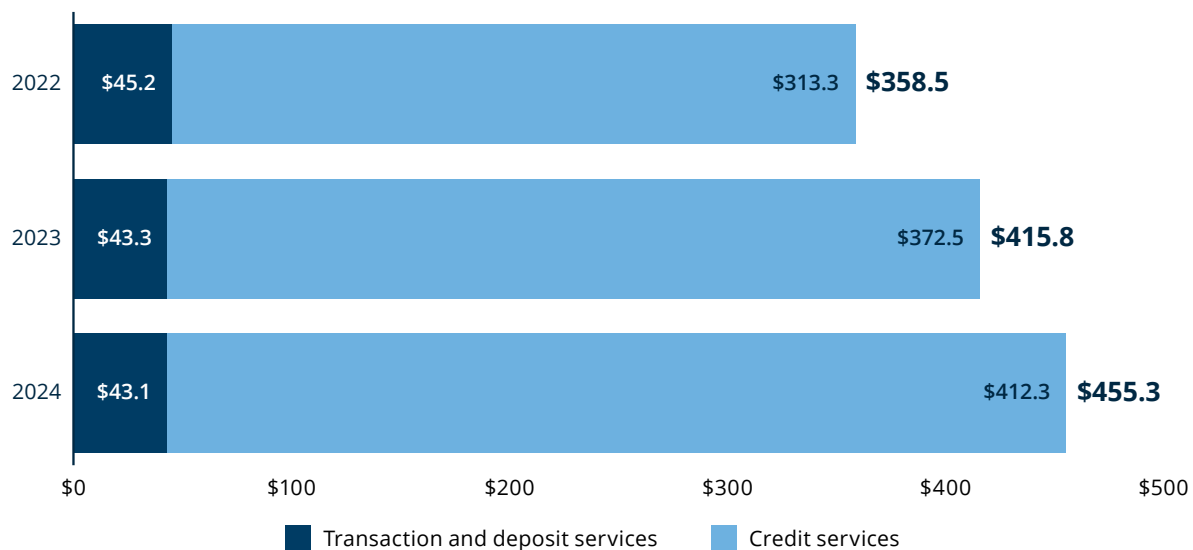
⁷ The 2024 FinHealth Spend Report reported total interest and fees of \$415 billion in 2023 and \$354 billion in 2022. After adjusting several estimates based on new data availability and updated methodologies, our estimate for 2023 is now \$416 billion, while 2022 is estimated at \$358 billion.

\$412 billion, after a nearly 20% jump the year prior.⁸ This growth was largely due to increased interest and fees from revolving credit card balances, as well as expansion in federal student loan payments following the end of loan forbearance.

- Despite ongoing innovation across the financial services landscape, **we continued to see persistent and dramatic disparities in the share of income spent on interest and fees for financial services** – particularly among populations who have been traditionally underserved or are facing financial health challenges.
 - **Financially Vulnerable households** spent 17% of their income on interest and fees alone in 2024, compared with 1% among Financially Healthy households.
 - **Black and Latine households** spent greater amounts – both as a percentage of income and in absolute terms – on financial services than white households.
 - **Households with subprime credit** carried greater balances for longer at higher rates, contributing 14% of household income toward financial services, compared with 2% among households with prime credit.^{9,10}

Figure ES1. Consumer spending on total interest and fees jumped nearly \$100 billion in two years, reaching an estimated \$455 billion in 2024.

Total estimated spending on interest and fees, in billions, 2022-2024.



⁸ We estimate interest and fees (such as annual fees or late fees) only for cardholders who carry a balance for at least one month of the year by multiplying the total dollar amount of revolving balances by an estimated cost (expressed as a percentage of those balances). For more details, see [Appendix II](#).

⁹ For example, the CFPB reports that consumers with subprime credit experience higher rates of persistent credit card debt, defined as when interest and fees exceed half of total payments made in a calendar year, reflecting their greater difficulty in paying down balances quickly. See [“The Consumer Credit Card Market,”](#) Consumer Financial Protection Bureau, October 2023.

¹⁰ In the FinHealth Spend survey, we ask respondents the following question: “How would you rate your credit score? Your credit score is a number that tells lenders how risky or safe you are as a borrower.” Respondents who answer “Excellent” or “Very good” are coded as prime, “Good” is coded as nonprime, and “Fair,” “Poor,” and “Don’t know” are coded as subprime. We group “Don’t know” responses into the subprime category because uncertainty about one’s credit score likely signals limited credit engagement or history. In this year’s survey, 4% of respondents answered “Don’t know.” As a follow-up, we asked this group (N = 132), “Do you have a credit score?” to which, 21% responded “No” and 62% responded “Don’t know.”

Key Product Trends

Account Ownership

Many banked households hold checking accounts across multiple institutions, presenting potential challenges for institutions seeking to establish primacy

- For the first time, we collected data on the number and types of checking accounts households hold.
- Among households with at least one checking account, more than half (55%) reported holding more than one household checking account, and most (69%) said these accounts were spread across multiple institutions.
- Many households spread their accounts across multiple types of institutions – for example, a traditional bank and a credit union, or a traditional bank and an online bank. Roughly 1 in 5 banked households reported holding accounts at more than one type of institution.

Some households who appear “unbanked” may be using alternatives that replicate traditional banking services

- Only 5% of respondents were “unbanked” (that is, they reported that no one in their household had a checking or savings account in 2024).
- However, nearly a quarter (23%) of this group indicated that they had an account with an online bank with no physical branch locations, raising questions about what it really means to be “unbanked.”

Deposit Account Fees

Overdraft/non-sufficient funds (NSF) fees rose slightly, offset by other fees

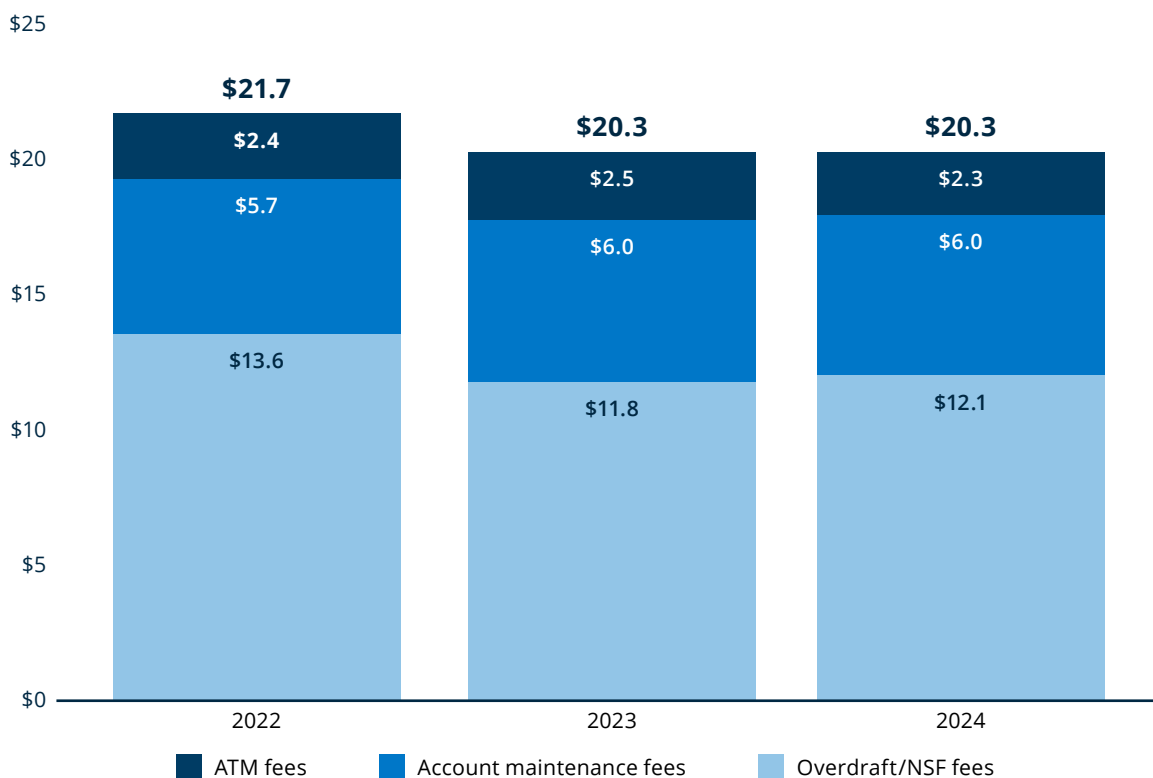
- Estimated deposit account fees – including account maintenance fees, ATM fees, and overdraft/NSF fees – were flat in 2024 at \$20.3 billion (see Figure ES2).
- After several years of decline, overdraft/NSF fees are estimated to have grown slightly in 2024 compared to 2023 (from \$11.8 billion to \$12.1 billion), while account maintenance fees held steady and ATM fee revenues declined slightly.

Credit union users who overdraft reported doing so more frequently than bank users who overdraft

- Our March 2025 overdraft analysis found that credit unions generated a far greater share of overall overdraft/NSF revenue than previously recognized.¹¹
- Our new survey data show that while the share of households who overdrafted was similar between credit union and bank account holders, credit union overdrafters reported incurring higher numbers of overdraft/NSF fees over 12 months. Twenty-one percent of respondents who reported overdrafting only at a credit union reported six or more overdrafts, compared with 14% among those with bank overdrafts.¹²

Figure ES2. Estimated deposit account fees (from account maintenance, ATM, and overdraft/NSF) were flat in 2024.

Estimated fees in billions, by type and year.



Notes: Estimates include fee revenue for banks and credit unions. The above categories do not represent a comprehensive list of all possible fees associated with deposit accounts, but reflect those detailed in the Federal Financial Institutions Examination Council (FFIEC) Call Reports.

¹¹ Hannah Gdalmann, MK Falgout, & David Silberman, “Overdraft, NSF Fees Bigger Burden Than Previously Estimated,” Financial Health Network, March 2025.

¹² Among respondents who indicated that they only overdrafted with a credit union (N = 152), versus only overdrafted with a bank (N = 430). Excludes responses from households who said they had overdrafts at multiple different types of institutions, at other types of institutions, or those who did not know the institution type.

Cryptocurrency

The share of households owning crypto remained lower than 2022

- Nine percent of households reported holding cryptocurrency in 2024. This figure is similar to the 8% of households holding crypto in 2023, but lower than the 11% who owned it in 2022.
- Consistent with prior years, we find that higher-earning households hold crypto at higher rates. In 2024, 16% of households earning more than \$100,000 held cryptocurrency, compared with just 3% of those earning less than \$30,000.

Credit Cards

Fees and interest on credit cards continued to grow, though at a more moderate pace than the prior year

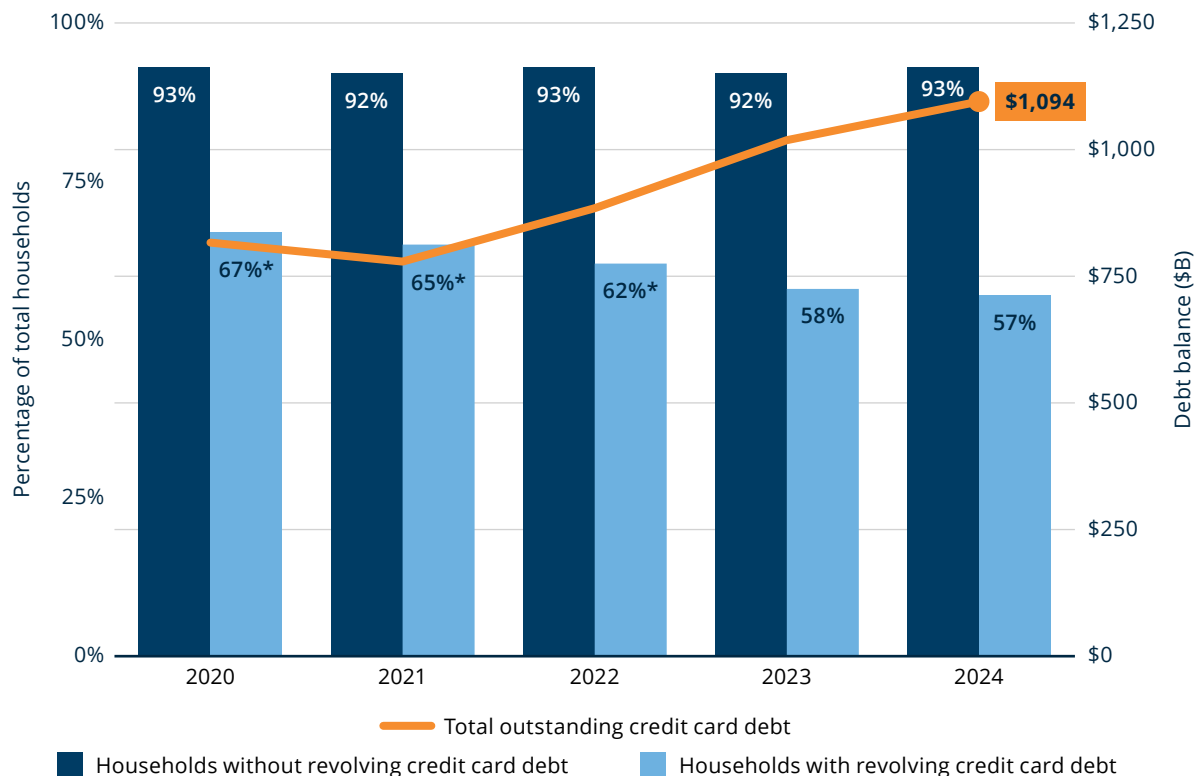
- Fees and interest assessed on general purpose card balances grew to \$165.1 billion, up 10% from \$149.7 billion in 2023. This growth has moderated from the 25% year-over-year growth the year prior.
- Fees paid by households who carried a balance were estimated at \$25.8 billion, or 16% of the total.
- Private label spending stayed roughly steady, with an estimated \$15.4 billion in interest and fees from revolving balances in 2024.

Self-reported manageability of debt has declined among credit card revolvers

- A five-year analysis suggests an erosion of self-reported credit manageability among households who carry credit card debt (see Figure ES3).

Figure ES3. Manageability of debt has declined among households with revolving credit card debt.

Self-reported manageability of debt, by credit card revolvership, 2020-2024.



Notes: Bar chart (left axis) shows the percentage of cardholder households who reported they “have a manageable amount of debt” or “do not have any debt” over time. Households with revolving credit card debt are those who carried a balance for at least one month of the year on general purpose or private label credit cards (N = 1,673 in 2020, N = 2,024 in 2021, N = 2,006 in 2022, N = 2,150 in 2023, and N = 1,933 in 2024), and those without are households who did not carry a balance (N = 1,523 in 2020, N = 2,057 in 2021, N = 2,149 in 2022, N = 2,413 in 2023, and N = 2,308 in 2024). Line graph (right axis) represents total outstanding credit card debt: the sum of average annual balances for general purpose bank cards and private label cards. Balances are reported monthly in Equifax’s Monthly National Consumer Credit Reports and averaged across 12 months for each year.

* Statistically significant relative to 2024 ($p < 0.05$).

Buy Now, Pay Later (BNPL)

As buy now, pay later (BNPL) usage intensified, reports of challenges ticked up

- Sixteen percent of households reported using BNPL products in 2024, not statistically different from 2023. However, we find that households reported taking out more loans than in the past.
 - 60% of BNPL users said their household had taken three or more loans, up from 53% in 2023 and 51% in 2022.
- Alongside this increase, reported spending challenges grew. In particular, the share of users who reported difficulty affording payments rose from 5% in 2023 to 8% in 2024.

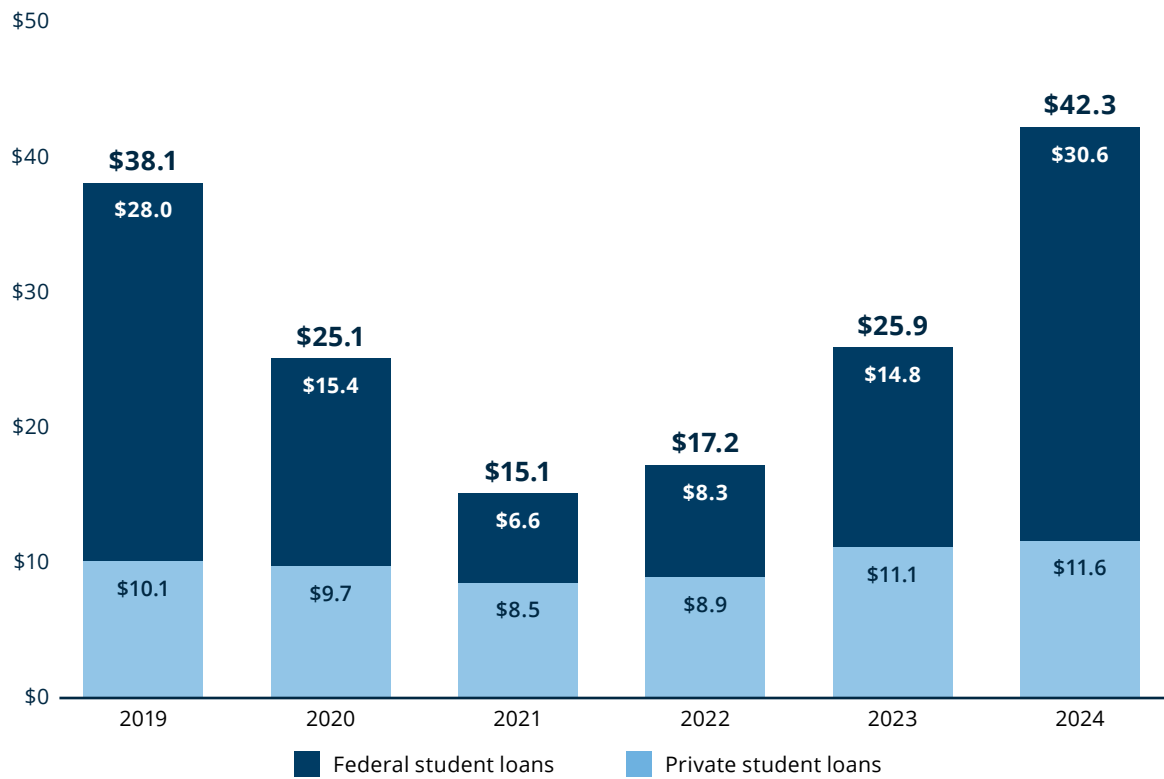
Student Loans

Total student loan payments topped pre-pandemic levels

- Estimated spending on fees and interest for federal student loans more than doubled in 2024, rising from \$14.8 billion in 2023 to \$30.6 billion (see Figure ES4).
 - This exceeds pre-pandemic levels and marks a nearly five-fold increase from its low point in 2021 of \$6.6 billion.
- About one-third (37%) of student loan borrowers currently making payments reported challenges, ranging from late or missed payments to going without food or medicine in order to afford payments.

Figure ES4. Fees and interest for federal and private student loans surpassed pre-pandemic levels in 2024.

Estimated fees and interest on federal and private student loans, by year, in billions.



Notes: Fee and interest estimates reflect the calendar year, not the federal government’s fiscal year.

LOOKING AHEAD

Rising Spending and Persistent Inequities in a Time of Unease

While macroeconomic indicators suggested some economic moderation in 2024, research shows consumer sentiment around cost of living and the economy remained low. Meanwhile, our analysis finds that aggregate household spending on fees and interest for financial services continued to rise in 2024, with vulnerable populations – including households who are not Financially Healthy, Black and Latine households, and households without prime credit scores – continuing to bear the brunt of these burdens.



In particular, we find evidence of debt strain among certain populations, and a five-year analysis suggests an erosion of self-reported debt manageability among households carrying credit card debt. Furthermore, more than one-third of households currently making student loan payments reported challenges related to those payment obligations.

The change in presidential administrations at the end of 2024 marked a significant turning point. Since these data were collected, financial policy and oversight have shifted significantly, and even more changes lie on the horizon. As these shifts unfold, it will be critical to monitor the market and assess the impact on those who struggle most – work that depends on consistent, trusted, and transparent data. Sustained commitment to gathering and publishing comprehensive data is essential to understanding how consumers manage their finances and where inequities persist. We encourage financial services leaders, employers, policymakers, researchers, and advocates to use these data as a roadmap for creating solutions that help Americans navigate today's economic uncertainty and build lasting financial resilience.

About This Report

What's New in the 2025 Report

For more than a decade, the FinHealth Spend Report has analyzed the cost of financial services for American households, particularly those struggling financially. In 2020, we debuted a new approach that blends extensive secondary research on financial products and trends with a nationally representative survey on financial service use. This report is the fifth annual publication under this revised methodology, providing insights into multi-year trends and shifts.

Each year, we review and update our sources and product mix to ensure our report remains reliable and relevant. In this year's report, we present data on product spending and usage over three years (2022-2024), with longer time horizons presented for some products. We have updated prior estimates to include the most recent data available for those years. Appendix II has additional details about shifts in approach and adjustments to survey wording.

While we continue to report household incidence and estimated revenues for dozens of products, this year's report features deeper, more focused analyses on a select number of key topics, including:

- Bank account ownership
- Deposit account fees, including overdraft/non-sufficient funds (NSF) fees
- Credit card debt
- Buy now, pay later (BNPL)
- Student loans

These spotlights include our first-ever analyses of topics such as:

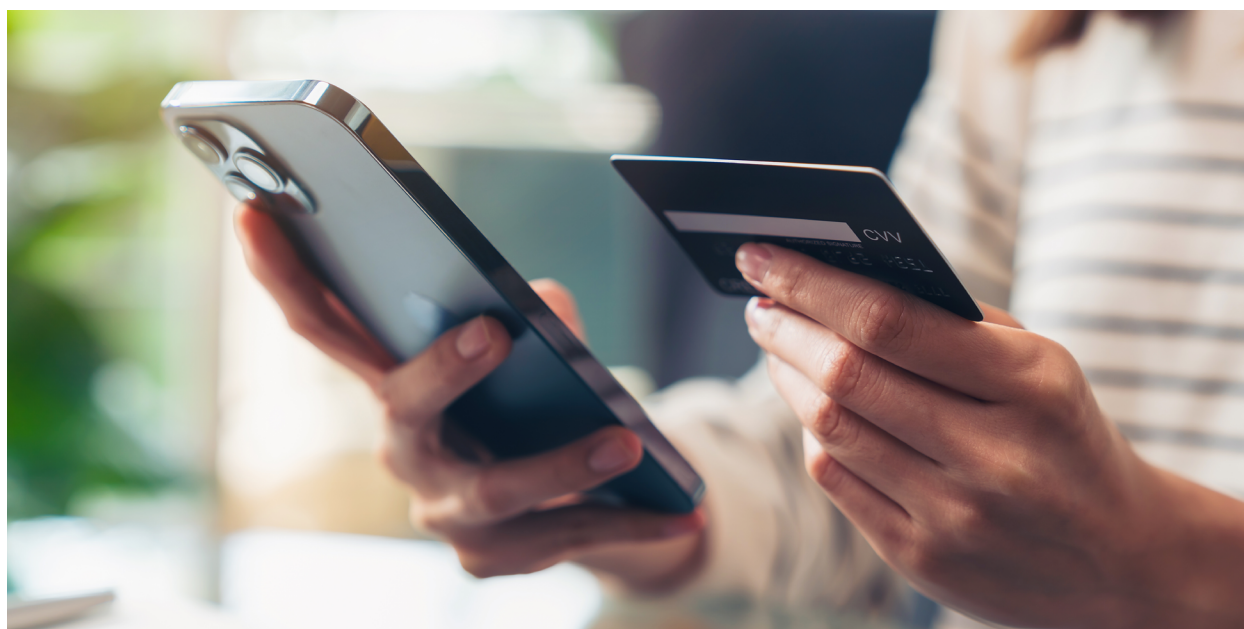
- How many checking accounts households have, and the types of institutions they use
- Types of credit card fees
- Student loan payment difficulty and coping strategies

In addition to this annual report, the FinHealth Spend initiative produces supplemental analyses that explore critical or emerging topics. Our most recent brief, ["Overdraft, NSF Fees Bigger Burden Than Previously Estimated,"](#) was released in March 2025. We anticipate publishing additional analyses throughout the year, including an upcoming brief on mobile payment services (such as PayPal, Venmo, and Cash App). We welcome suggestions and partnership on additional areas of exploration to bring new research to life.

Methodology in Brief

Our report leverages a unique multi-phase methodology that begins with in-depth secondary research and modeling to derive estimates of total spending on interest and fees by American households across dozens of financial products and services. This research is coupled with nationally representative survey data on household product use and outstanding debt over the previous 12 months. Pairing secondary analysis on spending with our survey data provides unique insight into how consumers navigate and utilize financial services. Our approach involves:

- **Extensive research on market size, fees and interest, and growth projections for dozens of financial products and services** using publicly available secondary research and input from industry experts (see Table 1). Wherever available, we use regular, vetted information, such as public filings or official government datasets. All fee and interest figures require some degree of estimation. In Appendix II, we disclose our sources and the level of confidence in the accuracy of our estimates. We encourage feedback on how we can continue to enhance our analyses in the future.
- **A probability-based nationally representative survey to understand household usage of a variety of financial products**, including frequency and balances for select products. Table 2 below shows the field dates, response rates, sample sizes, and margins of error for the survey data used. Each year's sample is weighted to align the sample distributions of race, ethnicity, gender, age, education, and Census region with the population distributions using the Current Population Survey benchmarks.¹³ For more details on this year's survey, please see [Appendix II](#).
- We utilize our **secondary research to estimate national spending** on each financial product and leverage our **survey data to allocate spending among different demographic groups**.



¹³ For details on USC's sampling and weighting methodology, please see "[Welcome to the Understanding America Study](#)," USC Dornsife Center for Economic and Social Research.

Table 1. Products analyzed.

Transaction and deposit services	Includes fees incurred to utilize a variety of services that facilitate transactions or are associated with bank accounts, including: • Deposit account fees, such as overdraft/NSF fees, account maintenance fees, and ATM fees • Financial transaction services, including international remittances, nonbank check cashing, and money orders • Prepaid cards, such as payroll, government, and general purpose reloadable cards
Credit services	Includes fees and interest on most non-mortgage consumer credit, such as: • General purpose and private label credit card revolving accounts • Secured credit cards • Auto loans and leases, including new, used, and buy here, pay here (BHPH) loans • Federal and private student loans • Unsecured installment loans • Alternative credit products, including pawn loans, rent-to-own, title loans, payday loans, and refund anticipation checks and loans

Table 2. Survey details.

Year	Field dates	Cooperation rate*	Sample size	Margin of error
2023	Jan 5 - 30	73%	5,055	1.4%
2024	Jan 3 - Feb 3	79%	5,509	1.3%
2025	Jan 8 - Feb 5	73%	5,216	1.4%

* Notes: Conditional on participating in the Understanding America Study (UAS) panel. Cooperation rate is calculated as the number of panelists who started the survey, divided by the number of panelists invited.

Defining Usage by Household

This study utilizes the household as the primary unit of measurement. All survey respondents self-identified as the primary or co-decision-maker on household financial matters. For person-level characteristics, such as race and ethnicity, we use the characteristics of the respondent to represent the household.¹⁴

¹⁴ This approach is commonly utilized among governmental sources, such as the Federal Deposit Insurance Corporation’s (FDIC) “[2023 FDIC National Survey of Unbanked and Underbanked Households](#)” from November 2024.

What Is Financial Health?

Defining Financial Health

Financial health is a holistic framework by which to understand financial lives. Financial health comes about when households are financially resilient in the face of setbacks and have the resources to pursue opportunities and thrive.

Measuring Financial Health With the FinHealth Score®

Based on this definition of financial health, the Financial Health Network developed the FinHealth Score®. The FinHealth Score is a composite measure of eight indicators that represent the four pillars of financial health – Spend, Save, Borrow, and Plan – and is designed to provide insight into specific aspects of financial lives (Figure 1).

Figure 1. 8 indicators of financial health.



The indicators are constructed based on responses to eight financial health survey questions. A numerical value is assigned to each of the possible responses of the eight financial health survey questions. For individuals who responded to all eight questions, we can calculate their FinHealth Score, which ranges from 0 to 100, by averaging their responses to the eight financial health survey questions.¹⁵ Those with scores between 0 and 39 are considered “Financially Vulnerable,” consumers with scores ranging between 40 and 79 are defined as “Financially Coping,” and those with scores of 80 to 100 are “Financially Healthy” (Figure 2).

Figure 2. Interpreting the FinHealth Score.



¹⁵ Please see the [FinHealth Score methodology webpage](#) for more information on how the Score was designed.

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The Financial Health Network is the leading authority on financial health. We are a trusted resource for business leaders, policymakers, and innovators united in a mission to improve the financial health of their customers, employees, and communities. Through research, advisory services, measurement tools, and opportunities for cross-sector collaboration, we advance awareness, understanding, and proven best practices in support of improved financial health for all.

For more on the Financial Health Network, go to www.finhealthnetwork.org and join the conversation online:

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