

THE WALL STREET JOURNAL.  
*live in the know*



iPad is a trademark of Apple Inc.

Subscribe NOW ►►

**THE WALL STREET JOURNAL.**  
WSJ.com

APRIL 5, 2010, 4:07 PM ET

## Among Middle Class, Financially Literate Families Feel Most Secure

The more American middle class families understand personal finances, the less financially strapped they feel, a new survey shows.

**First Command Financial Services Inc.**, an investment adviser firm, administered a financial literacy test in March to people with household incomes of \$50,000 or more to gauge the financial knowledge of the middle class.

Of those who answered all of the questions correct, 63% said they didn't feel financially strapped versus 48% who said the same but had answered one or more questions incorrectly.

Some 42% of people who got a perfect score on the test also said they were comfortable with their debt levels. Meanwhile, of those who answered questions wrong, 32% said they were comfortable with their debt.

Overall, the survey respondents scored pretty well on the tests: They answered 7.5 out of nine questions correctly, on average. And three out of 10 respondents earned a perfect score.

Despite higher levels of confidence among the most financially literate, even they didn't feel comfortable with their savings or their ability to retire. Less than a quarter of those who answered all the questions correctly said they felt comfortable with their savings. A slightly higher 36% said they were very confident in their ability to retire comfortably.

Among those who answered at least one question incorrectly, just 15% felt good about their savings and 29% said they were sure they would be able to retire comfortably.

The test surveyed 659 people and has a margin of error of plus or minus 3.8 percentage points.

Copyright 2008 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our [Subscriber Agreement](#) and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008 or visit [www.djreprints.com](http://www.djreprints.com)