Americans' Finances are Improving - But Some Still Feel Behind and are Turning to Prediction Markets, Sports Betting and Crypto to Catch Up, According to Northwestern Mutual's 2026 Planning & Progress Study

Firmer footing: Half (50%) of Americans now feel financially secure, up from 44% last year

Playing catch-up… and playing with fire: Three-quarters of U.S. adults who are drawn to high-risk assets say it's because they feel financially behind

Sold! More people feel optimistic they can or will be able to afford to own a home

House keys over college degrees: For many parents, helping their kids buy a home is equally or more important than helping them pay for college

Downturn distress: More people expect the U.S. economy to weaken than improve

Price hike pressure: Inflation remains by far Americans' top-ranked obstacle to financial security and more than half expect it to rise

MILWAUKEE, March 9, 2026 /PRNewswire/ -- Northwestern Mutual's 18th annual Planning & Progress Study finds half of adults in America now saying they feel financially secure – an increase from 44% last year. Over half also consider themselves to be 'disciplined' financial planners. Even optimism around homeownership is on the rise.

But at the same time, a sizeable number of Americans – particularly young adults – are investing in or are considering investing in high-risk/speculative assets such as prediction markets, sports betting, and cryptocurrencies. Among those using or considering these financial instruments, 73% say they're doing so because they feel financially behind and think those investments offer a faster path to their goals than traditional methods. And among Gen Z, the number is 80%.

These are some of the first findings from Northwestern Mutual's newly released 2026 Planning & Progress Study, the company's proprietary research series that explores Americans' attitudes, behaviors, and perspectives across a broad set of issues impacting their long-term financial security.

Financial Security and Discipline Continue to Improve

The number of Americans who say they're financially secure went up across every generation, with the largest year-over-year gains coming from Millennials and Gen X.

Feel financially secure	**2025**	**2026**
U.S. Adults	44 %	50 %
Gen Z	36 %	39 %
Millennials	43 %	53 %
Gen X	40 %	48 %
Boomers+	55 %	57 %

Among Americans with a financial advisor, 71% said they felt financially secure while just 10% did not feel financially secure.

Financial discipline improved too. The number of Americans who consider themselves to be 'disciplined' financial planners hit a high of 65% in 2020, during Covid. Four years later it fell to a record low of 45% in 2024. Now it is on a two-year upward trend.

U.S. Adults who consider themselves "disciplined" financial planners	
2020	65 %
2021	60 %
2022	59 %
2023	50 %
2024	45 %
2025	49 %
2026	53 %

"Even in an economy that's often described as K-shaped with wealth disparities growing among older and younger generations, Americans' positivity and optimism about their own financial security is on the rise across the board," said John Roberts, Northwestern Mutual's chief field officer. "Many factors are at play, but an uptick in financial discipline is certainly having an impact. The best way to move from financial anxiety to confidence is by taking control, practicing good habits, and making sound decisions. There's also nothing quite like the confidence that comes from a trusted professional telling you that you're making wise financial choices. Having a trusted advisor isn't just about the returns; it's about reassurance."

Signs of Financial Nihilism Surface – Led by Gen Z

Gen Z and Millennials make up the largest share of Americans who are investing in – or are considering investing in – high-risk speculative assets this year. These young adults demonstrate the strongest interest in cryptocurrencies, sports betting, and event-based contracts offered through prediction markets.

Currently invested in or considering in 2026	U.S. Adults	Gen Z	Millennials	Gen X	Boomers+
Crypto	24 %	32 %	35 %	20 %	8 %
Sports betting / prediction markets	17 %	32 %	24 %	10 %	3 %
Options	13 %	17 %	18 %	14 %	4 %
Meme stocks	9 %	14 %	13 %	6 %	2 %

Across generations, a driving factor behind why people are taking greater risks with these investments is because they feel financially behind.

Financial Nihilism	U.S. Adults	Gen Z	Millennials	Gen X	Boomers+
Percentage who feel financially behind and believe high-risk/speculative investments will help reach financial goals more effectively than traditional methods	73 %	80 %	75 %	66 %	51 %

Another finding from the survey is relevant here – more than half (52%) of Americans say they suffer from a common blind spot: they place too much emphasis on building wealth/growing their assets without dedicating enough to protecting their assets and managing against risks. And younger adults are reporting this planning gap more often: for Gen Z the number is 57% and for Millennials it's 62%.

"When people feel behind, they often look for shortcuts," said Roberts. "But building financial security is rarely about cutting corners. It's about consistency, discipline, and protection. A comprehensive plan helps people grow confidently without taking unnecessary risks. These high-risk assets can be fun to play with, but that's why we recommend only spending 'fun money' on them. Don't allocate more than you can afford to lose completely and focus your planning on strategies that have been proven

to help people build and protect wealth over the long-term."

Homeownership Feels More Attainable – And Parents are Playing a Bigger Role

Homeownership remains central to Americans' financial aspirations. Three-quarters (75%) of U.S. adults agree homeownership is essential to building wealth. Notably, agreement is highest among high-net-worth Americans ($1 million+ in investable assets) and those working with a financial advisor.

And among non-homeowners, the prospects of owning a home at some point are looking better. Notably, Gen Z and Millennials both saw upticks in optimism.

Among non-homeowners, percentage who believe owning a home is financially affordable now or will be in the future	**2025**	**2026**
U.S. Adults	33 %	42 %
Gen Z	42 %	54 %
Millennials	34 %	47 %
Gen X	33 %	31 %
Boomers+	16 %	15 %

Additionally, headwinds are easing, with fewer Gen Z and Millennial non-homeowners citing down payments, mortgage rates, or market competition as barriers compared to last year.

I don't have enough saved for a down payment	**2025**	**2026**
Total	64 %	53 %
Gen Z	70 %	52 %
Millennials	58 %	52 %

I'm not confident I can afford all the associated costs of home ownership (insurance, repairs, etc.)	**2025**	**2026**
Total	55 %	51 %
Gen Z	54 %	47 %
Millennials	52 %	52 %

Mortgage rates are too high	**2025**	**2026**
Total	48 %	40 %
Gen Z	57 %	43 %
Millennials	48 %	47 %

The housing market is too competitive and I am therefore priced out	2025	2026
Total	43 %	38 %
Gen Z	54 %	42 %
Millennials	37 %	41 %

"Homeownership is the traditional path to living the American Dream, so it's exciting to see younger people feeling more confidence that their dream will come true," said Roberts. "For those who feel priced out, it's important to remember that owning a home is not the only way to build wealth in America. There are many pathways to long-term financial security, and a trusted advisor can help anyone learn more about those possibilities as part of a personalized financial plan."

Perhaps the most striking finding: 74% of parents with children at home would consider or have already started financially planning to help their kids buy a home. Among those parents, 29% say helping them buy a home someday is more important than helping them pay for college, and 55% say it's equally important.

"In today's housing market, homeownership has become a team sport, and parents are increasingly the MVPs," said Roberts. "Starter capital from moms and dads is helping young people get a starter home, building a bridge to the American Dream and generational wealth. Parents with access to liquidity are in a unique position to help their kids with a down payment and more."

Inflation is Americans' Top Concern Even as Its Real-World Impact Eases

The study finds that more people expect the U.S. economy to weaken in 2026 (45%) compared to those who expect it to improve (36%). Additionally, more than half (56%) of adults believe inflation will increase this year – up from 51% who said the same in 2025. Older adults are notably the most pessimistic when compared to last year – the number of Gen Xers who expect inflation to rise went from 46% in 2025 to 57% this year, and Boomers+ jumped from 46% to 56%.

Americans overwhelmingly cite inflation as the #1 obstacle to achieving financial security (42%), well ahead of things like lack of savings (25%), personal debt (22%), and healthcare costs (22%).

That said, while people's real-world experience with inflation continues to be significant, it's slightly improved from last year. Nearly eight in ten (79%) Americans say they've experienced higher prices in the grocery aisle in the last three months, down from 84% in 2025. But the biggest change is a 16-percentage point decline among those who have experienced higher expenses at the gas pump. This year, only 44% say they are seeing steeper gas prices, down from 60% last year.

Additionally, among those who have experienced elevated costs in each area, there have been general declines among those who indicate those costs are having a moderate-to-large impact on their finances.

Moderate-to-Large Impact of Inflation on Finances			
	2025	2026	Change from 2025
Groceries	80 %	72 %	-8 %
Gas	75 %	71 %	-4 %
Utilities	77 %	69 %	-8 %
Housing expenses	81 %	79 %	-2 %
Childcare expenses	80 %	77 %	-3 %

In another positive sign, household income is keeping pace with inflation slightly better this year, according to the research. The number of Americans who say their household incomes are growing slower than inflation dropped from 52% to 48%.

Household income vs. Inflation	2025	2026
Growing slower than inflation	52 %	48 %
On pace with inflation	28 %	31 %
Growing faster than inflation	11 %	12 %
Not sure	9 %	9 %

Wallets Tighten but Many Continue to Utilize 'Buy Now, Pay Later' Options

Fewer Americans expect to increase their spending on discretionary purchases in 2026. Gen Z remains the most likely to spend more (32%), though that's down from 39% in 2025.

Non-essential purchases	2025	2026
Expect to spend more	29 %	24 %
Expect to spend the same	34 %	40 %
Expect to spend less	34 %	33 %
Unsure	3 %	3 %

When it comes to spending, Americans are divided on whether small daily sacrifices like giving up a daily cup of coffee can make a difference. According to the research:

47% believe cutting small purchases like a daily cup of coffee can improve long-term financial security
53% believe micro-steps like skipping coffee won't materially impact long-term outcomes

However, relatively large numbers of Americans are opting for installment-style payments, even for small purchases.

A third (33%) of U.S. adults used "Buy Now, Pay Later" options when making large purchases like vacations, event tickets, appliances and smartphones in 2025, and nearly a quarter (23%) used them for daily purchases like groceries and gas.
This year, the share who plan to use "Buy Now, Pay Later" options is similar – 35% for large purchases and 23% for daily purchases.
Use of "Buy Now, Pay Later" is most prominent among Gen Z and Millennials. Half of Gen Z (49%) and Millennials (49%) plan to use 'Buy Now, Pay Later' for large purchases in 2026; and a third or more plan to use it for small purchases – 36% of Gen Z and 32% of Millennials.

"'Buy Now, Pay Later' options can be a helpful budgeting tool – or a budgeting blind spot. The difference is discipline," said Roberts. "They can become risky when convenience outpaces good intentions. Like credit cards, they are best used as part of a plan, not as a reflex."

Americans' Personal Debt Holds Steady, but Priorities may be Shifting

Among Americans who carry personal debt, the average amount people owe is $21,700 – nearly identical to the $21,500 reported in 2025.

Americans' Personal Debt, Exclusive of Mortgages	
2026	$21,700
2025	$21,500

2024	$22,700
2023	$21,800
2022	$22,400

Credit cards remain the top source of debt by a wide margin, accounting for more than double the #2 source (car loans) and quadruple the #3 source (medical debt). Among Millennials, educational expenses for children and family members made the top three this year, replacing medical debt and ranking even higher than their own personal education loans.

Main Sources of Debt	**U.S. Adults**	**Gen Z**	**Millennials**	**Gen X**	**Boomers+**
Credit card bills	29 %	21 %	32 %	30 %	29 %
Car loan	12 %	12 %	12 %	15 %	11 %
Medical debt	7 %	8 %	7 %	8 %	5 %
Personal education loans	6 %	12 %	7 %	4 %	1 %
Educational expenses for children/family members	5 %	9 %	8 %	5 %	1 %
Caring for loved ones	4 %	6 %	5 %	4 %	1 %

According to the study, six in 10 (62%) U.S. adults with debt prioritize paying down debt, compared to 38% who prioritize saving. This continues a long-term trend of U.S adults focusing more on debt repayment than savings, though it's the first time since this question was introduced in 2022 where the share of people prioritizing paying down debt has declined.

U.S. Adults	**2022**	**2023**	**2024**	**2025**	**2026**
Prioritize saving money	43 %	39 %	36 %	36 %	38 %
Prioritize paying down debt	57 %	61 %	64 %	64 %	62 %

About the 2026 Northwestern Mutual Planning & Progress Study
The 2026 Planning & Progress Study was conducted by The Harris Poll on behalf of Northwestern Mutual among 4,375 U.S. adults aged 18 or older. The survey was conducted online between January 5 and January 21, 2026. Data are weighted where necessary by age, gender, race/ethnicity, region, education, marital status, household size, household income, and propensity to be online to bring them in line with their actual proportions in the population. A complete survey methodology is available.

About Northwestern Mutual
Northwestern Mutual has been helping people and businesses achieve financial security for more than 165 years. Through a comprehensive planning approach, Northwestern Mutual combines the expertise of its financial professionals with a personalized digital experience and industry-leading products to help its clients plan for what's most important. With more than $780 billion of total assets[1] managed across the company's institutional portfolio as well as retail investment client portfolios, more than $40 billion in revenues, and $2.5 trillion worth of life insurance protection in force, Northwestern Mutual delivers financial security to more than five million people with life insurance, disability income insurance, long-term care insurance, annuities, and brokerage and advisory services. Northwestern Mutual ranked 109 on the 2025 *FORTUNE* 500 and was recognized by *FORTUNE*® as one of the "World's Most Admired" life insurance companies in 2026.

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI (life and disability insurance, annuities, and life insurance with long-term care benefits) and its subsidiaries. Subsidiaries include **Northwestern Mutual Investment Services, LLC (NMIS)** (investment brokerage services), broker-dealer, registered investment adviser, member FINRA and SIPC; the Northwestern Mutual Wealth Management Company® (NMWMC) (investment advisory and services), federal savings bank; and Northwestern Long Term Care Insurance Company (NLTC) (long-term care insurance). Not all Northwestern Mutual representatives are advisors. Only those representatives with "Advisor" in their title or who otherwise disclose their status as an advisor of NMWMC are credentialed as NMWMC representatives to

provide investment advisory services.

[1] Includes investments and separate account assets of Northwestern Mutual as well as retail investment assets held or managed for clients.

SOURCE Northwestern Mutual

For further information: mediarelations@northwesternmutual.com

---

https://news.northwesternmutual.com/2026-03-09-Americans-Finances-are-Improving-But-Some-Still-Feel-Behind-and-are-Turning-to-Prediction-Markets,-Sports-Betting-and-Crypto-to-Catch-Up,-According-to-Northwestern-Mutuals-2026-Planning-Progress-Study