Mail: Financial Matters

Sibling Mail: Financial Matters Module

OVERVIEW

The Financial Matters Module is new to the 2011 mail survey. It relies on 12 statements about finance - constructed in terms of money management, banking, and investing - to gauge the participant's opinions and their level of confidence in those opinions. For each statement, the participant is asked to indicate whether they believe it to be more generally true or false by circling a scaled percentage ranging between 50 and 100 representing the likelihood or confidence they associate with its perceived truth or falsehood. If, for example, the participant considered the statement "mutual funds do not pay a guaranteed rate of return" to be generally true, but still had some reservations, they might circle 80 to signify a belief that it is 80% likely to be true. If the participant thinks a statement is surely true or false, they are instructed to circle 100, indicating 100% confidence in its likelihood of being such. If, on the other hand, the participant is completely unsure and has "no idea" whether a statement is true or false, they are instructed to make their best possible guess and circle 50, signifying a bare minimum 50% confidence in their opinion of its truth or falsehood. Whether a statement is, in actuality, true or false is not important here; the section is simply intended as a gauge of participants' opinions on financial matters.

BRIEF VARIABLE DESCRIPTIONS

Variable ranges reference dataset/codebook order and are not necessarily alphabetical.

PFIN01RE-PFIN12RE:	Perceived Truth or Falsehood of Statements About Financial Matters

pfin01re: Mutual funds do not pay a guaranteed rate of return - true or false?

Data source: Sibling Participant or Proxy Collected in: 2011 Mode: Mail
Source variables: y_fin1_1, yfin1_a

		Frequencies		
Value	**Label**	**Male**	**Female**	**Total**
.	System missing - NR	3014	2774	5788
-29	LEFT BLANK ON SAQ	178	308	486
-27	NOT ASKED OF PROXY	6	7	13
-4	NOT ASCERTAINED	44	33	77
-3	REFUSED	1	3	4
-1	DON’T KNOW	9	19	28
0	SURELY FALSE - 100% CONFIDENT	96	96	192
10	90% CONFIDENT FALSE	32	30	62
20	80% CONFIDENT FALSE	34	37	71
30	70% CONFIDENT FALSE	29	32	61
40	60% CONFIDENT FALSE	20	27	47
49	GUESS FALSE - 50% CONFIDENT	91	128	219
51	GUESS TRUE - 50% CONFIDENT	80	130	210
60	60% CONFIDENT TRUE	41	39	80
70	70% CONFIDENT TRUE	60	64	124
80	80% CONFIDENT TRUE	80	102	182
90	90% CONFIDENT TRUE	122	106	228
100	SURELY TRUE - 100% CONFIDENT	500	406	906

Note: The survey question this variable was based on was prefaced by the following set of instructions: "Next we would like to ask you a series of statements about financial matters. We would like to know whether, in your opinion, the statement is generally "True" or generally "False" and how strongly you believe this to be the case.
Note: There were some participants who circled 50% for both the true and false categories. These responses were recorded as "Guess False - 50% Confident."

pfin02re: You should invest in either mutual funds or a large number of different stocks instead of just a few stocks - true or false?

Data source: Sibling Participant or Proxy Collected in: 2011 Mode: Mail
Source variables: y_fin1_2, y_fin1_b

		Frequencies		
Value	**Label**	**Male**	**Female**	**Total**
.	System missing - NR	3014	2774	5788
-29	LEFT BLANK ON SAQ	183	298	481
-27	NOT ASKED OF PROXY	6	7	13
-4	NOT ASCERTAINED	44	34	78
-3	REFUSED	1	3	4
-1	DON’T KNOW	4	12	16
0	SURELY FALSE - 100% CONFIDENT	33	52	85
10	90% CONFIDENT FALSE	14	14	28
20	80% CONFIDENT FALSE	15	25	40
30	70% CONFIDENT FALSE	25	23	48
40	60% CONFIDENT FALSE	18	26	44
49	GUESS FALSE - 50% CONFIDENT	63	95	158
51	GUESS TRUE - 50% CONFIDENT	80	104	184
60	60% CONFIDENT TRUE	55	82	137
70	70% CONFIDENT TRUE	121	101	222
80	80% CONFIDENT TRUE	183	192	375
90	90% CONFIDENT TRUE	203	178	381
100	SURELY TRUE - 100% CONFIDENT	375	321	696

Note: The survey question this variable was based on was prefaced by the following set of instructions: "Next we would like to ask you a series of statements about financial matters. We would like to know whether, in your opinion, the statement is generally "True" or generally "False" and how strongly you believe this to be the case.
Note: There were some participants who circled 50% for both the true and false categories. These responses were recorded as "Guess False - 50% Confident."

pfin03re: Using money in a bank savings account to pay off credit card debt is usually a bad idea - true or false?

Data source: Sibling Participant or Proxy Collected in: 2011 Mode: Mail
Source variables: y_fin1_3, y_fin1_c

		Frequencies		
Value	**Label**	**Male**	**Female**	**Total**
.	System missing - NR	3014	2774	5788
-29	LEFT BLANK ON SAQ	168	277	445
-27	NOT ASKED OF PROXY	6	7	13
-4	NOT ASCERTAINED	52	28	80
-3	REFUSED	1	3	4
-1	DON’T KNOW	2	3	5
0	SURELY FALSE - 100% CONFIDENT	432	352	784
10	90% CONFIDENT FALSE	143	139	282
20	80% CONFIDENT FALSE	113	105	218
30	70% CONFIDENT FALSE	67	77	144
40	60% CONFIDENT FALSE	31	52	83
49	GUESS FALSE - 50% CONFIDENT	49	64	113
51	GUESS TRUE - 50% CONFIDENT	35	67	102
60	60% CONFIDENT TRUE	19	32	51
70	70% CONFIDENT TRUE	51	59	110
80	80% CONFIDENT TRUE	74	78	152
90	90% CONFIDENT TRUE	53	68	121
100	SURELY TRUE - 100% CONFIDENT	127	156	283

Note: The survey question this variable was based on was prefaced by the following set of instructions: "Next we would like to ask you a series of statements about financial matters. We would like to know whether, in your opinion, the statement is generally "True" or generally "False" and how strongly you believe this to be the case.
Note: There were some participants who circled 50% for both the true and false categories. These responses were recorded as "Guess False - 50% Confident."

pfin04re: Financially, investing in the stock market is no better than buying lottery tickets - true or false?

Data source: Sibling Participant or Proxy Collected in: 2011 Mode: Mail
Source variables: y_fin1_4, y_fin1_d

		Frequencies		
Value	**Label**	**Male**	**Female**	**Total**
.	System missing - NR	3014	2774	5788
-29	LEFT BLANK ON SAQ	167	277	444
-27	NOT ASKED OF PROXY	6	7	13
-4	NOT ASCERTAINED	47	21	68
-3	REFUSED	1	3	4
-1	DON’T KNOW	2	5	7
0	SURELY FALSE - 100% CONFIDENT	488	367	855
10	90% CONFIDENT FALSE	155	125	280
20	80% CONFIDENT FALSE	141	159	300
30	70% CONFIDENT FALSE	98	117	215
40	60% CONFIDENT FALSE	52	76	128
49	GUESS FALSE - 50% CONFIDENT	73	147	220
51	GUESS TRUE - 50% CONFIDENT	55	96	151
60	60% CONFIDENT TRUE	32	38	70
70	70% CONFIDENT TRUE	29	28	57
80	80% CONFIDENT TRUE	23	30	53
90	90% CONFIDENT TRUE	16	26	42
100	SURELY TRUE - 100% CONFIDENT	38	45	83

Note: The survey question this variable was based on was prefaced by the following set of instructions: "Next we would like to ask you a series of statements about financial matters. We would like to know whether, in your opinion, the statement is generally "True" or generally "False" and how strongly you believe this to be the case.
Note: There were some participants who circled 50% for both the true and false categories. These responses were recorded as "Guess False - 50% Confident."

pfin05re: When an investor spreads money between 20 stocks, rather than 2, the risk of losing a lot of money decreases - true or false?

Data source: Sibling Participant or Proxy Collected in: 2011 Mode: Mail
Source variables: y_fin1_5, y_fin1_e

		Frequencies		
Value	**Label**	**Male**	**Female**	**Total**
.	System missing - NR	3014	2774	5788
-29	LEFT BLANK ON SAQ	175	300	475
-27	NOT ASKED OF PROXY	6	7	13
-4	NOT ASCERTAINED	51	24	75
-3	REFUSED	1	3	4
-1	DON’T KNOW	4	6	10
0	SURELY FALSE - 100% CONFIDENT	38	32	70
10	90% CONFIDENT FALSE	22	21	43
20	80% CONFIDENT FALSE	30	28	58
30	70% CONFIDENT FALSE	25	37	62
40	60% CONFIDENT FALSE	20	33	53
49	GUESS FALSE - 50% CONFIDENT	42	96	138
51	GUESS TRUE - 50% CONFIDENT	68	131	199
60	60% CONFIDENT TRUE	51	85	136
70	70% CONFIDENT TRUE	115	139	254
80	80% CONFIDENT TRUE	202	192	394
90	90% CONFIDENT TRUE	206	170	376
100	SURELY TRUE - 100% CONFIDENT	367	263	630

Note: The survey question this variable was based on was prefaced by the following set of instructions: "Next we would like to ask you a series of statements about financial matters. We would like to know whether, in your opinion, the statement is generally "True" or generally "False" and how strongly you believe this to be the case.
Note: There were some participants who circled 50% for both the true and false categories. These responses were recorded as "Guess False - 50% Confident."

pfin06re: Taxes do not affect how you should invest your money - true or false?

Data source: Sibling Participant or Proxy Collected in: 2011 Mode: Mail
Source variables: y_fin1_6, y_fin1_f

		Frequencies		
Value	**Label**	**Male**	**Female**	**Total**
.	System missing - NR	3014	2774	5788
-29	LEFT BLANK ON SAQ	181	303	484
-27	NOT ASKED OF PROXY	6	7	13
-4	NOT ASCERTAINED	51	27	78
-3	REFUSED	1	3	4
-1	DON’T KNOW	3	4	7
0	SURELY FALSE - 100% CONFIDENT	350	271	621
10	90% CONFIDENT FALSE	112	121	233
20	80% CONFIDENT FALSE	150	115	265
30	70% CONFIDENT FALSE	75	87	162
40	60% CONFIDENT FALSE	59	79	138
49	GUESS FALSE - 50% CONFIDENT	63	126	189
51	GUESS TRUE - 50% CONFIDENT	56	97	153
60	60% CONFIDENT TRUE	47	49	96
70	70% CONFIDENT TRUE	63	56	119
80	80% CONFIDENT TRUE	69	90	159
90	90% CONFIDENT TRUE	50	53	103
100	SURELY TRUE - 100% CONFIDENT	87	79	166

Note: The survey question this variable was based on was prefaced by the following set of instructions: "Next we would like to ask you a series of statements about financial matters. We would like to know whether, in your opinion, the statement is generally "True" or generally "False" and how strongly you believe this to be the case.
Note: There were some participants who circled 50% for both the true and false categories. These responses were recorded as "Guess False - 50% Confident."

pfin07re: If you start out with $1,000 and earn an average return of 10% per year for 30 years, after compounding, the initial $1,000 will have grown to more than $6,000 - true or false?

Data source: Sibling Participant or Proxy Collected in: 2011 Mode: Mail
Source variables: y_fin1_7, y_fin1_g

		Frequencies		
Value	**Label**	**Male**	**Female**	**Total**
.	System missing - NR	3014	2774	5788
-29	LEFT BLANK ON SAQ	201	343	544
-27	NOT ASKED OF PROXY	6	7	13
-4	NOT ASCERTAINED	47	17	64
-3	REFUSED	1	3	4
-1	DON’T KNOW	3	17	20
0	SURELY FALSE - 100% CONFIDENT	75	100	175
10	90% CONFIDENT FALSE	18	22	40
20	80% CONFIDENT FALSE	10	19	29
30	70% CONFIDENT FALSE	10	26	36
40	60% CONFIDENT FALSE	18	15	33
49	GUESS FALSE - 50% CONFIDENT	37	75	112
51	GUESS TRUE - 50% CONFIDENT	61	140	201
60	60% CONFIDENT TRUE	40	53	93
70	70% CONFIDENT TRUE	53	79	132
80	80% CONFIDENT TRUE	124	123	247
90	90% CONFIDENT TRUE	148	142	290
100	SURELY TRUE - 100% CONFIDENT	571	386	957

Note: The survey question this variable was based on was prefaced by the following set of instructions: "Next we would like to ask you a series of statements about financial matters. We would like to know whether, in your opinion, the statement is generally "True" or generally "False" and how strongly you believe this to be the case.
Note: There were some participants who circled 50% for both the true and false categories. These

responses were recorded as "Guess False - 50% Confident."

pfin08re: Buying a single company stock usually provides a safer return than a stock mutual fund - true or false?

Data source: Sibling Participant or Proxy Collected in: 2011 Mode: Mail
Source variables: y_fin2_8, y_fin2_h

		Frequencies		
Value	**Label**	**Male**	**Female**	**Total**
.	System missing - NR	3014	2774	5788
-29	LEFT BLANK ON SAQ	192	340	532
-27	NOT ASKED OF PROXY	6	7	13
-4	NOT ASCERTAINED	49	17	66
-3	REFUSED	1	3	4
-1	DON’T KNOW	5	12	17
0	SURELY FALSE - 100% CONFIDENT	383	288	671
10	90% CONFIDENT FALSE	163	167	330
20	80% CONFIDENT FALSE	176	146	322
30	70% CONFIDENT FALSE	145	123	268
40	60% CONFIDENT FALSE	60	68	128
49	GUESS FALSE - 50% CONFIDENT	125	216	341
51	GUESS TRUE - 50% CONFIDENT	50	84	134
60	60% CONFIDENT TRUE	19	24	43
70	70% CONFIDENT TRUE	10	27	37
80	80% CONFIDENT TRUE	20	23	43
90	90% CONFIDENT TRUE	8	9	17
100	SURELY TRUE - 100% CONFIDENT	11	13	24

Note: The survey question this variable was based on was prefaced by the following set of instructions: "Next we would like to ask you a series of statements about financial matters. We would like to know whether, in your opinion, the statement is generally "True" or generally "False" and how strongly you believe this to be the case.

Note: There were some participants who circled 50% for both the true and false categories. These responses were recorded as "Guess False - 50% Confident."

pfin09re: Even older retired people should hold some stocks - true or false?

Data source: Sibling Participant or Proxy Collected in: 2011 Mode: Mail
Source variables: y_fin2_9, y_fin2_i

		Frequencies		
Value	**Label**	**Male**	**Female**	**Total**
.	System missing - NR	3014	2774	5788
-29	LEFT BLANK ON SAQ	189	315	504
-27	NOT ASKED OF PROXY	6	7	13
-4	NOT ASCERTAINED	44	18	62
-3	REFUSED	1	3	4
-1	DON’T KNOW	4	4	8
0	SURELY FALSE - 100% CONFIDENT	33	57	90
10	90% CONFIDENT FALSE	19	21	40
20	80% CONFIDENT FALSE	29	32	61
30	70% CONFIDENT FALSE	42	26	68
40	60% CONFIDENT FALSE	21	35	56
49	GUESS FALSE - 50% CONFIDENT	91	120	211
51	GUESS TRUE - 50% CONFIDENT	143	211	354
60	60% CONFIDENT TRUE	114	103	217
70	70% CONFIDENT TRUE	128	136	264
80	80% CONFIDENT TRUE	198	164	362
90	90% CONFIDENT TRUE	145	121	266
100	SURELY TRUE - 100% CONFIDENT	216	194	410

Note: The survey question this variable was based on was prefaced by the following set of instructions: "Next we would like to ask you a series of statements about financial matters. We would like to know whether, in your opinion, the statement is generally "True" or generally "False" and how strongly you

believe this to be the case.
Note: There were some participants who circled 50% for both the true and false categories. These responses were recorded as "Guess False - 50% Confident."

pfin10re: An older person with $100,000 to invest should hold riskier financial investments than a younger person with $100,000 to invest - true or false?

Data source: Sibling Participant or Proxy Collected in: 2011 Mode: Mail
Source variables: y_fin2_10, y_fin2_j

		Frequencies		
Value	**Label**	**Male**	**Female**	**Total**
.	System missing - NR	3014	2774	5788
-29	LEFT BLANK ON SAQ	187	311	498
-27	NOT ASKED OF PROXY	6	7	13
-4	NOT ASCERTAINED	51	18	69
-3	REFUSED	1	3	4
-1	DON’T KNOW	4	5	9
0	SURELY FALSE - 100% CONFIDENT	689	656	1345
10	90% CONFIDENT FALSE	173	163	336
20	80% CONFIDENT FALSE	106	106	212
30	70% CONFIDENT FALSE	54	55	109
40	60% CONFIDENT FALSE	27	35	62
49	GUESS FALSE - 50% CONFIDENT	64	94	158
51	GUESS TRUE - 50% CONFIDENT	18	33	51
60	60% CONFIDENT TRUE	5	12	17
70	70% CONFIDENT TRUE	4	10	14
80	80% CONFIDENT TRUE	10	21	31
90	90% CONFIDENT TRUE	8	10	18
100	SURELY TRUE - 100% CONFIDENT	16	28	44

Note: The survey question this variable was based on was prefaced by the following set of instructions: "Next we would like to ask you a series of statements about financial matters. We would like to know whether, in your opinion, the statement is generally "True" or generally "False" and how strongly you believe this to be the case.
Note: There were some participants who circled 50% for both the true and false categories. These responses were recorded as "Guess False - 50% Confident."

pfin11re: It is important to take a look at your investments periodically to see if you need to make changes - true or false?

Data source: Sibling Participant or Proxy Collected in: 2011 Mode: Mail
Source variables: y_fin2_11, y_fin2_k

		Frequencies		
Value	**Label**	**Male**	**Female**	**Total**
.	System missing - NR	3014	2774	5788
-29	LEFT BLANK ON SAQ	187	303	490
-27	NOT ASKED OF PROXY	6	7	13
-4	NOT ASCERTAINED	53	19	72
-3	REFUSED	1	3	4
-1	DON’T KNOW	3	2	5
0	SURELY FALSE - 100% CONFIDENT	3	5	8
10	90% CONFIDENT FALSE	3	2	5
20	80% CONFIDENT FALSE	1	3	4
30	70% CONFIDENT FALSE	3	2	5
40	60% CONFIDENT FALSE	0	1	1
49	GUESS FALSE - 50% CONFIDENT	10	14	24
51	GUESS TRUE - 50% CONFIDENT	25	51	76
60	60% CONFIDENT TRUE	25	24	49
70	70% CONFIDENT TRUE	50	61	111
80	80% CONFIDENT TRUE	122	101	223
90	90% CONFIDENT TRUE	168	143	311
100	SURELY TRUE - 100% CONFIDENT	763	826	1589

Note: The survey question this variable was based on was prefaced by the following set of instructions: "Next we would like to ask you a series of statements about financial matters. We would like to know whether, in your opinion, the statement is generally "True" or generally "False" and how strongly you believe this to be the case.
Note: There were some participants who circled 50% for both the true and false categories. These responses were recorded as "Guess False - 50% Confident."

pfin12re: It is best to avoid owning stocks of foreign companies - true or false?

Data source: Sibling Participant or Proxy Collected in: 2011 Mode: Mail
Source variables: y_fin2_12, y_fin2_1

		Frequencies		
Value	**Label**	**Male**	**Female**	**Total**
.	System missing - NR	3014	2774	5788
-29	LEFT BLANK ON SAQ	191	317	508
-27	NOT ASKED OF PROXY	6	7	13
-4	NOT ASCERTAINED	46	15	61
-3	REFUSED	1	3	4
-1	DON’T KNOW	3	9	12
0	SURELY FALSE - 100% CONFIDENT	232	173	405
10	90% CONFIDENT FALSE	102	91	193
20	80% CONFIDENT FALSE	161	115	276
30	70% CONFIDENT FALSE	139	119	258
40	60% CONFIDENT FALSE	79	87	166
49	GUESS FALSE - 50% CONFIDENT	141	239	380
51	GUESS TRUE - 50% CONFIDENT	121	133	254
60	60% CONFIDENT TRUE	47	54	101
70	70% CONFIDENT TRUE	45	53	98
80	80% CONFIDENT TRUE	42	47	89
90	90% CONFIDENT TRUE	29	47	76
100	SURELY TRUE - 100% CONFIDENT	38	58	96

Note: The survey question this variable was based on was prefaced by the following set of instructions: "Next we would like to ask you a series of statements about financial matters. We would like to know whether, in your opinion, the statement is generally "True" or generally "False" and how strongly you believe this to be the case.
Note: There were some participants who circled 50% for both the true and false categories. These responses were recorded as "Guess False - 50% Confident.

Table of Contents

Mail: Financial Matters 1
pfin01re: Mutual funds do not pay a guaranteed rate of return - true or false? 1
pfin02re: You should invest in either mutual funds or a large number of different stocks instead of just a few stocks - true or false? 2
pfin03re: Using money in a bank savings account to pay off credit card debt is usually a bad idea - true or false? 4
pfin04re: Financially, investing in the stock market is no better than buying lottery tickets - true or false? 5
pfin05re: When an investor spreads money between 20 stocks, rather than 2, the risk of losing a lot of money decreases - true or false? 6
pfin06re: Taxes do not affect how you should invest your money - true or false? 7
pfin07re: If you start out with $1,000 and earn an average return of 10% per year for 30 years, after compounding, the initial $1,000 will have grown to more than $6,000 - true or false? . . 8
pfin08re: Buying a single company stock usually provides a safer return than a stock mutual fund - true or false? 9
pfin09re: Even older retired people should hold some stocks - true or false? 10
pfin10re: An older person with $100,000 to invest should hold riskier financial investments than a younger person with $100,000 to invest - true or false? 11
pfin11re: It is important to take a look at your investments periodically to see if you need to make changes - true or false? 12
pfin12re: It is best to avoid owning stocks of foreign companies - true or false? 13