Income and expense volatility has far-reaching implications for household finances. At EARN we see this volatility reflected in the savings patterns and activities of our Members. The vast majority of SaverLife Savers (70%) experience “savings volatility,” meaning they are not making savings deposits of the same amount month over month.

Moreover, savings account transaction activity is dynamic. Savers make approximately one withdrawal for every two deposits into their savings accounts. This information challenges traditional assumptions that the act of saving follows a steady upward progression of accumulated funds for long-term goals. Instead, our data shows that people are often saving for now and spending down their pool of savings on more immediate, short-term needs. Savers set aside and access savings in a manner that reflects the volatile nature of their financial lives.

EARN analyzed over 700,000 financial transactions from 10,938 Savers.

70% experience savings volatility.
Their monthly savings deposits varied by 25% from their average monthly savings at least once since joining SaverLife.

1/3 of the transactions in savings accounts are withdrawals.

Despite inconsistent income streams, paycheck amounts, and expenses, Savers are resiliently saving, but in a manner that reflects how their financial lives can change considerably from month to month.
Saving for Soon
Savers make one withdrawal for every two deposits into their savings accounts.

**Takeaway:** Making frequent withdrawals may not be how savings accounts are traditionally used, but Savers often report drawing down savings for unexpected short-term needs.

Savings Volatility Goes Both Ways

- **37%** of savings volatility is experienced as a rise or increase.
- **63%** is experienced as a fall or decrease.

**Takeaway:** Volatility is not just a negative event. Nearly 40% of volatility events were the result of larger monthly savings deposits than the Saver’s average monthly deposits.

Creatively Coping with Volatility

- **55%** Borrowed from friends and family
- **47%** Put off paying a bill
- **35%** Cut back on expenses
- **34%** Sold something
- **20%** Picked up extra work

“In a low period of income, we count on my girls or borrow from my parents. In a high period, we set aside money as savings, but something always comes up and we have to use it.”

– Gabriella, CA

Further Insights

SaverLife

EARN’s online SaverLife community empowers low-income households to take control of their financial lives by offering digital financial coaching, online resources, and monetary incentives and prizes for saving. SaverLife members hail from all 50 states and are representative of the broad swath of Americans who struggle to save and are working to develop lasting financial security.

Big Data on Small Savings research, supported by MetLife Foundation, explores the collective experience of thousands of SaverLife members to unearth rich insights and provide data-driven perspectives on what works in helping individuals develop financial security.

SaverLife is supported by:

[MetLife Foundation](#)
[JP Morgan Chase & Co.](#)
[Prudential](#)
[Capital One](#)

[www.earn.org/insights](http://www.earn.org/insights)