GDW Financial Intelligence Report

Weekly Summary of Top Financial Pain Points & IBC-Informed Response

Week of June 29 – July 3, 2026

EXECUTIVE SUMMARY

Key Findings This Week

The defining number this week is 13.12% — the share of credit card balances now 90+ days delinquent, the sharpest one-year deterioration since the 2008 financial crisis, as households increasingly finance groceries, utilities, and prescriptions on plastic carrying an average 21.52% APR. That distress sits alongside a small-business cash flow squeeze (51% report uneven cash flow, 56% struggle to cover operating expenses) and a retirement confidence crisis (more than a third of Americans now doubt they will have enough saved — the worst reading since 2017). The IBC-informed response this week targets the credit card delinquency wave directly — what the National Foundation for Credit Counseling is calling “survival debt” — and maps to Green Dot Wealth’s core goal of **Eliminate Outside Debt**.

MARKET INTELLIGENCE

Top 3 Financial Concerns This Week

01 “Survival Debt”: Credit Card Delinquencies Hit a 15-Year High

STAT: 90+ day credit card delinquencies climbed to 13.12% of balances in early 2026, up from 8% a year earlier — the highest level in 15 years. Total revolving balances sit near $1.25 trillion at an average 21.52% APR. (New York Fed / LendingTree / getoutofdebt.org, 2026)

The driver is not discretionary spending. The NFCC is labeling this pattern “survival debt” — charges for groceries, utilities, and prescriptions, not vacations or luxury purchases — because the paycheck no longer reaches. The personal savings rate is hovering near record lows while interest rates sit near multi-decade highs, so households are financing basic living expenses at over 21% simply because they have no uncommitted capital anywhere in their financial life.

What’s driving it this week: The NFCC reports a significant surge in consumers reaching out for credit counseling. The distress is concentrated: subprime and near-prime borrowers are seeing balances grow faster than income, with the near-prime debt-to-income ratio up 176 basis points since 2019.

02 Small Business Cash Flow Squeeze Intensifies

STAT: 51% of small businesses cite uneven cash flow as a recurring challenge; 56% say paying operating expenses is difficult; 44% had a cash flow problem in the past 12 months severe enough to delay standard operating expenses. Insufficient cash flow was a factor in roughly a third of loan denials. (Federal Reserve 2026 Small Business Credit Survey)

Owners are squeezed from both directions at once. 75% report rising costs of goods, services, or wages, compressing margins just as customers stretch payment terms to 45, 60, or 90 days — forcing the business to finance its own customers' receivables. Growth itself consumes working capital, so even a strong sales month can produce a cash crisis if too much of that revenue is still sitting uncollected.

What's driving it this week: A Q4 2025 survey of small business owners found cash flow (29%) trailing only inflation (31%) as the top concern — a squeeze that compounds directly with concern #1 as owners increasingly reach for personal credit to bridge business gaps.

03 Retirement Confidence Cracks Further

STAT: More than a third of Americans now doubt they will have enough saved for retirement — the highest reading since 2017. Believed-need for a comfortable retirement stands at $823,800; current retirees hold an average of just $288,700. 48% fear outliving their savings. (Retirement confidence surveys / AARP, 2026)

The gap is structural, not psychological. The "magic number" Americans believe they need to retire comfortably has risen to $1.46 million — up $200,000 in a single year — while wage growth has not kept pace. A median couple retiring in 2026 faces an annual shortfall of $10,000–$17,000, forcing tradeoffs like skipping healthcare, relocating, or working well past their intended date.

What's driving it this week: One-third of Americans identified "will Social Security be there when I qualify" as a top retirement worry, and 61% say the average benefit — roughly $2,000 a month — is not enough, compounding the sense that market-based accumulation alone will not close the gap.

IBC PRACTITIONER RESPONSE

Survival Debt Is a Liquidity Problem, Not a Character Problem.

GDW GOAL: Eliminate Outside Debt

A 13.12% delinquency rate sounds like a story about irresponsible spending. It isn't. The NFCC's own diagnosis — "survival debt," meaning groceries, utilities, and prescriptions charged because the paycheck doesn't reach — is a liquidity story. These households aren't over-leveraging for discretionary consumption; they have zero uncommitted capital anywhere in their financial life, so every non-discretionary expense above baseline gets financed at 21.52% by whoever will extend the credit. That 21.52% was never a fixed cost of living. It is the price of not having a banking function of their own.

The IBC process doesn't start with a policy illustration for a family already carrying revolving balances at that rate — it starts with the same question Nash put in front of every audience: where is your cash currently living, and who sets the terms on which you get it back? For a household in survival-debt territory, that conversation is uncomfortable before it's useful. Capitalizing a properly designed policy is not a rescue mechanism for a cash flow deficit; the discipline has to come first, or the policy becomes one more account competing for an already-undersized paycheck. That ordering — behavior change before capitalization — is what separates the IBC process from a product sale.

Once that discipline is established, the mechanics matter. A policy loan against cash value carries a contractual rate fixed at issue, collateralized by the client's own equity, with no re-pricing based on delinquency data, Fed policy, or a card issuer's risk model. Cash value continues compounding on the full basis regardless of an outstanding loan balance, so the client isn't trading growth for access to capital — they get both. Every dollar of interest that would have gone to a card issuer instead has a path back into the policyowner's own reservoir. That is Eliminate Outside Debt in mechanical terms: not a one-time payoff trick, but a permanent redirection of where finance charges get paid — to a warehouse the client owns and controls, instead of an institution whose only interest in the relationship is the interest.

For any client, prospect, or referral currently in survival-debt territory — or anyone watching a family member slide into it — this is worth an honest working session on their actual cash flow before any conversation about product. If that's useful, I'm glad to think through it together.

Book a Discovery Call: www.greendotwealth.com | Learn how IBC replaces survival debt with a reservoir you control.