Weekly Finance Report

Week of September 28 – October 2, 2026

Executive Summary

This week's research across survey data and financial media points to three recurring pressures: revolving consumer debt that lingers for years, thin emergency reserves, and cash flow strain for small business owners. This report summarizes all three and gives an IBC-informed response to the first, aligned with the GDW goal of **Eliminating Outside Debt**.

Top 3 Financial Concerns This Week

1. Credit Card Debt That Won't Go Away

Revolving debt is no longer a short-term bridge for many households. Bankrate's survey shows 47% of cardholders carry a balance, and the share who have been in debt for a year or more rose to 61% from 53% a year earlier. Nearly a third have carried debt for three years or more, and 22% of debtors say they never expect to escape it. The cost structure is the problem: at a 19%+ APR, banks collect interest on money that was never really borrowed for growth, only for survival.

> **Average balance: $6,523 at 19%+ APR. Minimum payments only: about 170 months and $6,491 in interest.**

Why it's trending: Day-to-day expenses now drive 33% of balances, up from 28% in 2024. Ramsey's Q2 2026 survey adds that 24% of Americans, roughly 62 million people, worry about debt daily, and that 58% say the U.S.-Iran conflict is hurting their personal finances, with gas prices cited as a pressure point.

2. Emergency Savings That Don't Exist

Americans consistently name saving as a top goal, yet reserves are not building. Bankrate found only 47% of adults could cover a $1,000 surprise with available funds, 54% hold less than three months of expenses, and 24% hold nothing at all. The generational split is stark, with 34% of Gen Z and 28% of millennials reporting zero emergency savings. The structural issue is that savings kept as idle cash are the first thing spent and the last thing replenished, so a single car repair converts directly into card debt, which feeds Concern 1.

> **29% of Americans carry more credit card debt than emergency savings. Only 19% increased savings year-over-year.**

Why it's trending: Emergency and unexpected expenses are the leading reason for card balances (41%). With inflation persisting and consumers cutting back on spending, as 44% report in Ramsey's survey, reserves are being drawn down faster than they are rebuilt.

3. Small Business Cash Flow Squeeze

For owners, the issue is timing rather than demand. Fora Financial's mid-year survey found 57% of owners say cash flow has become harder since January, and cash flow ranks as the top challenge ahead of inflation and access to capital. Receivables lag payables, tariffs and input costs move faster than pricing, and conventional bank credit tightens at the moment it is most needed. Owners are responding with price

increases, new financing and cost cuts, each of which carries its own cost.

> **57% report harder cash flow since January. 55% name it their top challenge; 42% cite inflation; 33% cite access to capital.**

Why it's trending: 33% of owners raised prices and 31% sought new financing this year, while 60% consider a recession before year-end at least possible. Demand is mixed, with 45% seeing stronger demand and 22% weaker, so margin for error is thin.

IBC-Informed Response: Eliminating Outside Debt

Concern addressed: Credit card and consumer debt that lingers for years.

The data frames this as a behavior problem, but the root is structural: most households have no capital pool of their own, so every shock routes through a bank at 19%. A $6,523 balance that takes 170 months to retire is not a spending failure alone. It is the cost of renting someone else's capital with no alternative source. Budgeting advice treats the symptom. The IBC process addresses the function.

The process starts with recognizing that everyone already finances major purchases and emergencies; the only question is who earns the interest. A properly structured, dividend-paying whole life policy, designed for high early cash value, creates a capitalized reserve that grows on a contractual, uninterrupted basis. Policy loans against that cash value are available without credit approval or a fixed repayment schedule, while the underlying cash value continues to be credited in a participating policy. That is the mechanism that replaces the card.

This also answers Concern 2 directly. The 41% of debtors whose balances began with an emergency lacked a reserve that was both liquid and growing. Idle savings accounts fail the second test. A policy built over time becomes the place where an unexpected expense is financed and then repaid, with repayment going back into one's own system rather than out to a lender. The discipline is the recapture: paying back the loan with the same rigor the card demanded, plus a premium to oneself.

Two caveats at the practitioner level. First, capitalization takes years; it is not a same-quarter fix for a household already carrying high-APR balances, and the sequencing of paying down the worst debt while funding the policy deserves a careful design conversation. Second, the policy must be built for the process, with the base-to-PUA balance and rider structure serving cash value access, not for the product's headline illustration. Loans reduce the death benefit if unpaid, and interest still accrues on the loan.

The 22% who believe they will never escape card debt are describing a system with no exit. The goal of Eliminating Outside Debt is to build one: a reserve that finances their own needs and recaptures what would otherwise be paid to banks. If any of these three pressures describes your household or business right now, I would value the chance to think through the design with you.

This Week in Numbers

Statistic	Figure	Source
Cardholders carrying a balance	47%	Bankrate, Dec 2025
Average credit card balance	$6,523	Bankrate, Dec 2025
Debtors in debt 1+ year (vs 53% prior)	61%	Bankrate, Dec 2025
Debtors who never expect to escape	22%	Bankrate, Dec 2025
Can cover a $1,000 emergency	47%	Bankrate, Dec 2025
No emergency savings at all	24%	Bankrate, Dec 2025
Worry about debt daily (~62M people)	24%	Ramsey, Q2 2026

Statistic	Figure	Source
Couples with consumer debt reporting money tension	49% vs 21% debt-free	Ramsey, Q2 2026
Small business owners: cash flow harder since Jan	57%	Fora Financial, mid-2026
Owners who raised prices since January	33%	Fora Financial, mid-2026

Note: Bankrate figures come from a YouGov survey of 2,564 U.S. adults (Dec 2-8, 2025); Ramsey fielded June 10-16, 2026; Fora Financial surveyed 300+ owners, late June to mid-July 2026. Sources: bankrate.com, ramseysolutions.com, forafinancial.com.