



### LEADER'S GUIDE

- **Page 100:** Updated script: For example, the United States has one of the lowest savings rates of all developed nations. In fact, in the year 2005 the savings rate was *negative* 0.5%. (Commerce Department statistics as reported on MSNBC on 1/30/06). This represents the only time the savings rate has been negative for the whole year since 1932 and 1933. And bankruptcies in 2005 were 1.78 million, the highest ever.
- **Page 130:** Following is a series of updated statistics: 841.2 million credit cards were in use at the beginning of 2004. Total household consumer debt was \$2.8 trillion, up over 11% from the year before. Approximately \$725 billion of that was in credit card debt. Interest paid was approximately \$65 billion. Profit by credit card companies in 2003 estimated at \$20 billion. (Sources: Cardtrak, Federal Reserve, cardweb.com)
- **Page 148:** Since the 1998 statistic is out of date, don't tie in the example with the statistic. Simply use the example of \$7200 owed at 18% with minimum payment of 2% of balance to show the impact of paying more than the minimum. Since some card companies have increased their minimum payment requirement to 4%, a chart example using the 4% minimum payment is posted below. In 2003 the average credit card debt for a household with at least one credit card was \$9205. This was up from \$2966 in 1990. (Cardweb.com)
- **Page 184:** No statistics currently appear on this page but some that may prove interesting if time allows to mention them are:
  - Nearly 4 in 10 new vehicle buyers owe more on their trade-in than it is worth. 80% of all auto owners currently owe more on their car than it is worth. The average length of a car loan is 58 months with some as long as 80 months. (American Bankers Assoc. Newsbytes 3/26/04)
  - A Ford explorer purchased at \$38,900 has an estimated value three years later of \$17,225. That's a depreciation cost of \$21,700 or approximately \$600 per month! (WSJ article 11/11/03)
- **Page 186:** According to [www.safecarguide.com](http://www.safecarguide.com) (a great website for auto buyers), the average reliable life of a new car is now 13 years and 145,000 miles. The average time at which a new car is traded in is less than 4 years and under 55,000 miles.
- **Page 198:** The most recent year for which stats on how much was gambled is 1999 in which the National Gambling Impact Study indicated that Americans legally wagered more than \$630, losing more than \$50 billion in the process. The National Council on Problem Gambling indicates that approximately 3 million persons meet the criteria for pathological gambling and another 6 to 9 million have a serious problem with gambling and are known as "problem gamblers." Seventy percent of US adults report gambling at least once in the past year. Youth and seniors have a higher rate of problem gambling than the population at large.

### PARTICIPANT'S GUIDE

- **Page 69:** Updated statistics for the cost of feeding a family of two or four can be found at [www.usda.gov/cnpp/using3.html](http://www.usda.gov/cnpp/using3.html). The costs as of December – 2005 are as follows:  
Family of 2: Thrifty = \$307.40 / Low-Cost = \$389.10 / Moderate = \$481.00 / Liberal = \$602.80  
Family of 4: Thrifty = \$444.10 / Low-Cost = \$557.90 / Moderate = \$685.90 / Liberal = \$847.40

As numerous credit card companies raise the minimum payment requirement, we provide the following chart showing the impact of interest and minimum payments rates for a \$5,000 credit card balance.

## CREDIT CARD MATH

Based on paying the minimum percent on a \$5,000 balance

Credit Card	Interest rate	Min. % Payment	Total Interest Cost	Years to Pay Off
<b>A</b>	9.90%	2.00%	\$3,307	21.7
<b>B</b>		3.00%	1,828	13.6
<b>C</b>		4.00%	1,265	10.1
<b>D</b>	16.15%	2.00%	9,593	36.3
<b>E</b>		3.00%	3,908	17.3
<b>F</b>		4.00%	2,465	11.9
<b>G</b>	19.80%	2.00%	21,779	63.7
<b>H</b>		3.00%	5,858	20.8
<b>I</b>		4.00%	3,410	13.3