

Charles Schwab 2023 Modern Wealth Survey
DALLAS AREA FINDINGS SUMMARY

40% OF DALLASITES FEEL WEALTHY TODAY ACCORDING TO CHARLES SCHWAB'S MODERN WEALTH SURVEY

Dallasites feel optimistic about their personal finances while acknowledging that their location might not help their ability to reach their goals.

These findings are according to Charles Schwab's seventh annual Modern Wealth Survey, an examination of how Americans think about saving, spending, investing, and wealth:

- 36% of residents say living in Dallas “helps” them achieve their financial goals and build their wealth. 22% say living in Dallas “hurts” their ability to reach their financial goals as the overall “cost of living is too high.”
- Four in ten (40%) Dallasites feel wealthy today, and 16% of those who do not currently feel wealthy today believe they are on track to be wealthy in their lifetime.
- 69% of Dallasites are confident about reaching their financial goals.

HOW DALLASITES FEEL ABOUT THE CURRENT LOCAL ECONOMIC ENVIRONMENT

According to Schwab's survey, 38% of Dallasites say the local economy is better compared to the overall U.S. economy, while 49% say it's about the same and 13% think it's worse.

When asked about a range of local economic and cultural factors and how they compare in Dallas to other cities in the U.S., Dallasites said the Dallas area is:

	One of the best	One of the worst	Neither
Overall economy	42%	24%	34%
Quality of life	56%	9%	35%
Cost of living	36%	30%	34%
Housing market	36%	30%	34%
Employment rate	40%	24%	36%
Career opportunities	45%	25%	30%
Tax rates	33%	29%	38%
Tech industry	42%	19%	39%
Food and dining	50%	16%	34%
Arts and culture	38%	18%	44%

LOCAL IMPACT OF INFLATION

From food to flights, Dallasites are feeling the effects of inflation. Nine in 10 (90%) say inflation has affected their finances, which is slightly greater than Americans overall (86%). In addition:

Charles Schwab 2023 Modern Wealth Survey
DALLAS AREA FINDINGS SUMMARY



- Inflation is hitting Dallasites most on things like food and groceries (60% are spending more than the beginning of 2022), utilities (50% spending more), and transportation (36% spending more).
- Many Dallasites say they've significantly reduced spending on non-essential items (39%) and eating out (38%).
- More than half (61%) have had to reduce the amount of money they're able to save on a regular basis.

HOW DALLASITES DEFINE WEALTH

Compared to 2022, Dallasites redefined how much money it takes to be considered “wealthy,” while the amount it takes to be “financially comfortable” stayed the same:

	2021	2022	2023
Average net worth it takes to be “wealthy”	\$2.4M	\$2.6M	\$2.3M
Average net worth it takes to be “financially comfortable”	\$642K	\$840K	\$820K

But there is a paradox, driven by the contrast between how people define wealth for themselves versus how they define it for others. The 40% of Dallasites who feel wealthy today have an average net worth of \$466,000. However, the amount to be considered “wealthy” in Dallas is an average net worth of \$2.3 million. It's clear that non-financial assets like health and family resonate far more when defining wealth than having large sums of money, as a significant portion (54%) also reported living paycheck to paycheck.

When asked to choose which statement best describes how Dallasites think of wealth in their own daily lives, the definition of wealth is less about achieving a certain dollar amount. More Dallasites say wealth means:

Enjoying experiences	69%	31%	Owning many nice things
Not having to stress over money	76%	24%	Having more money than most people they know
Having a healthy work life balance	70%	30%	Maximizing my earnings even if it impacts my work life balance
Being generous with loves ones now	63%	37%	Leaving an inheritance
Enjoying healthy relationships with loved ones	60%	40%	Having a lot of money
Being in good health	63%	37%	Being successful
Having the flexibility of working where & how I want	61%	39%	Having a higher salary

Additionally, when Dallasites are asked to explain what defines being wealthy, ‘no debt’ tops the list (38%), followed by ‘affording the lifestyle they want’ (34%), ‘having a high income’ (25%), and ‘having good relationships with family and friends’ (20%).

THE IMPACT OF FINANCIAL PLANNING FOR DALLASITES:

According to Schwab’s survey, only one-third (34%) of Dallasites have a documented financial plan, and those with a plan feel more prepared and confident in navigating today’s complex economic and market environments. Among Dallasites with a documented financial plan:

- Three in four said having a plan makes them feel more in control of their finances (74%).
- Four in five use some source for financial advice (80%).

Charles Schwab 2023 Modern Wealth Survey
DALLAS AREA FINDINGS SUMMARY

- Of those with a financial plan, most developed it with a financial advisor (44%). Other sources are from a spouse (39%) or an online financial resource (25%).

According to Patrick Means, Vice President, Branch Manager, at Charles Schwab's Dallas branch, "Taking the time to create a documented financial plan doesn't take large sums of money. Starting with small steps and a positive mindset can make the planning process less daunting and allow investors to look at their financial situation more holistically while setting them on the path for long-term success."

Means adds, "A financial plan is like a roadmap and instills confidence for investors in getting to their final destination. Dallasites with a documented financial plan are more confident in reaching their financial goals than those without (92% vs. 57%)."

ABOUT SCHWAB'S MODERN WEALTH SURVEY

Schwab's seventh annual Modern Wealth Survey examines how Americans think about saving, spending, investing, and wealth. The online survey was conducted by Logica Research from March 1, 2023, to March 23, 2023, among a sample of 750 Dallas residents aged 21 to 75. Quota were set to balance the local sample on key demographics.

(0623-3X5T)

###