

Consumers padding their checking accounts

By E. Scott Reckard, Los Angeles Times

With wounds from the Great Recession still fresh, chastened Americans are hoarding more cash in their checking accounts than at any time in the last 25 years.

The defensive stance, uncharacteristic of previous periods of low inflation and an improving economy, reflects how debt-burdened Americans have striven to clean up their personal finances since the recession ended five years ago.

The lack of attractive investment alternatives, with savings accounts paying next to nothing and the stock market already at lofty heights, is another factor, financial analysts said.

A report released this month by bank consulting firm Moebs Services Inc. calculated the average balance for U.S. checking accounts at \$4,436 at the end of last year – more than double the average of \$2,100 over the 25 years of the annual survey.

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