Hispanic Millennials Are More Optimistic, Carry Less Debt Than Other Millennials

New PNC survey finds Hispanics embrace financial responsibility as key to their success

PITTSBURGH, Sept. 18, 2013 /PRNewswire/ -- Hispanic millennials are significantly more likely to say they are financially better off than their parents were at the same age, carry less debt than non-Hispanics and are savvy about ways to improve their credit, according to a new survey by The PNC Financial Services Group, Inc. (NYSE: PNC).

"Young Hispanics are more optimistic about their financial success than non-Hispanics because they see themselves making greater progress than their parents," said Mekael Teshome, PNC economist. "In fact, we found that 20-somethings have generally very similar expectations and objectives- regardless of their ethnicity - except when cultural values come into play."

The *PNC Financial Independence Survey* sought insights into the financial mindset of 20-29 year-olds who are establishing their careers in a highly competitive job market in the shadows of the global recession. The unique study compares responses within the millennial age group, between Hispanic and non-Hispanics and between those with and without higher education.

In terms of finances, non-Hispanic millennials carry nearly $10,000 more debt than Hispanics ($27,800 vs $18,000), with 31 percent of Hispanics having no debt. That may be because Hispanic millennials are more likely to live with their parents (45 percent) than non-Hispanics (39 percent), benefitting from strong family support. Additionally, 57 percent of Hispanic millennials know their credit score or generally how good it is.

"For Hispanics it's culturally acceptable and even encouraged to live at home in your twenties," said Teshome. "It's a way to pay off debt while you're still finding your footing in life. Getting this emotional, financial and cultural support from their family solidifies why Hispanic 20-somethings feel like they are better off than their parents."

Path to Financial Independence

Other factors identified by Hispanic 20-somethings as essential to achieving financial independence are:

- **Paying the bills (72 percent)**: While paying one's own living expenses is considered essential to achieving financial independence, only 41 percent of Hispanic 20-somethings have achieved that milestone. Hispanic 20-somethings are less likely than non-Hispanics (80 percent) to consider this as essential to achieving financial independence.
- **Obtaining full-time job in preferred profession (59 percent)**: Only 21 percent of Hispanic 20-29 year olds surveyed described their current job as an established position in their chosen field while 55 percent had expected to hit this milestone already. Hard work (62 percent), education (56 percent) and experience (54 percent) are the factors that Hispanic 20-somethings believe did or will help get that elusive, preferred job.

Findings: Achievement, Realism, Stress, Education

Hispanics are more likely than other millennials to say they are better off than the previous generation (57 percent) compared to whites (52 percent) and African Americans (50 percent).

While most Hispanic 20-somethings tend to be optimistic about their future, a new element of realism sets in for many as they display only temperate optimism about issues like saving enough for retirement (61 percent) and growing money through investments (58 percent).

"Hispanic 20-somethings find financial issues most stressful," said Teshome. "A perceived lack of financial security (24 percent), followed by uncertainty of finding a job (17 percent), slow the process of feeling – and being – financially independent."

Financial Tips

PNC helps consumers increase their financial knowledge through the interactive "PNC Achievement Sessions" on www.pnc.com/AchievementSessions. Consumers can learn to recognize money-related strengths and weaknesses and build financial savvy from four financial bloggers who share their personal stories and costly missteps to help others.

An online media kit containing national survey results is available on PNC's website at http://www.pnc.com/pncpresskits.

The PNC Financial Services Group, Inc. (www.pnc.com) is one of the nation's largest diversified financial services organizations providing retail and business banking; residential mortgage banking; specialized services for corporations and government entities, including corporate banking, real estate finance and asset-based lending; wealth management and asset management.

Methodology

PNC commissioned The *Financial Independence Survey* to identify attitudes and behaviors about personal finances among those ages 20-29. The study was conducted online within the United States from June 7 to June 24, 2013 among a nationwide cross section of 3,288 participants, including 588 Hispanics, ages 20-29. The margin of error for the total results is +/- 1.7 percent at the 95 percent confidence level. Artemis Strategy Group (www.Artemissg.com) designed and managed the survey.

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