



Hispanic Attitudes on Their Personal Finances and the Economy

September 2016

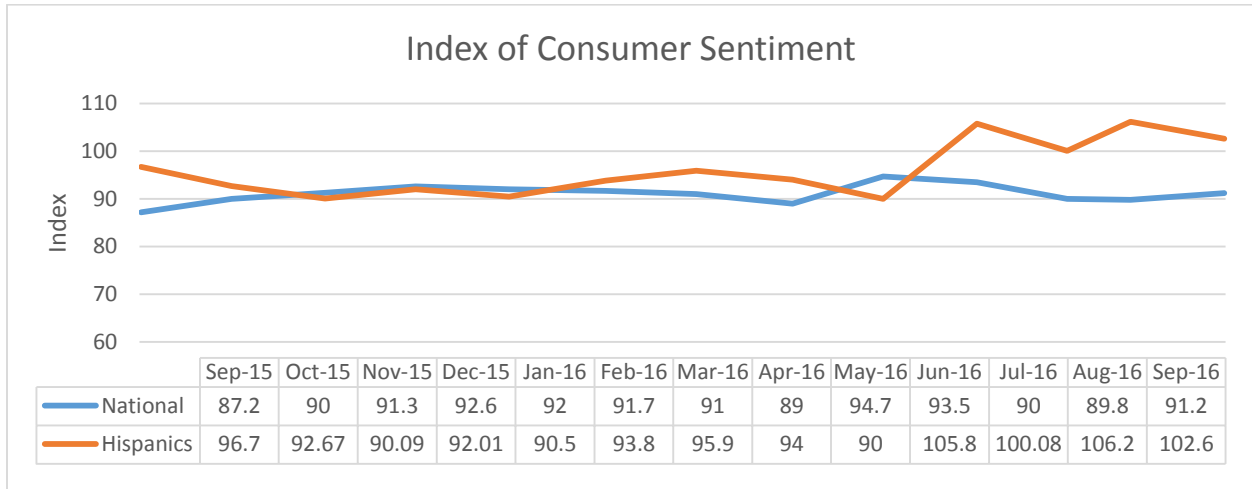
	September 2016	August 2016	September 2015
Index of Consumer Sentiment	102.65	106.2	96.73
Current Economic Conditions	102.67	108.7	95.1
Index of Consumer Expectations	102.65	104.5	97.78

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Index of Consumer Sentiment	Error! Bookmark not defined. 13

Executive Summary

The Hispanic Consumer Sentiment Index (CSI) dropped 4 points from 106.2 in August to 102.6 in September. The Michigan index increased 1.4 points and the overall difference between the indexes is of 11.4 points.



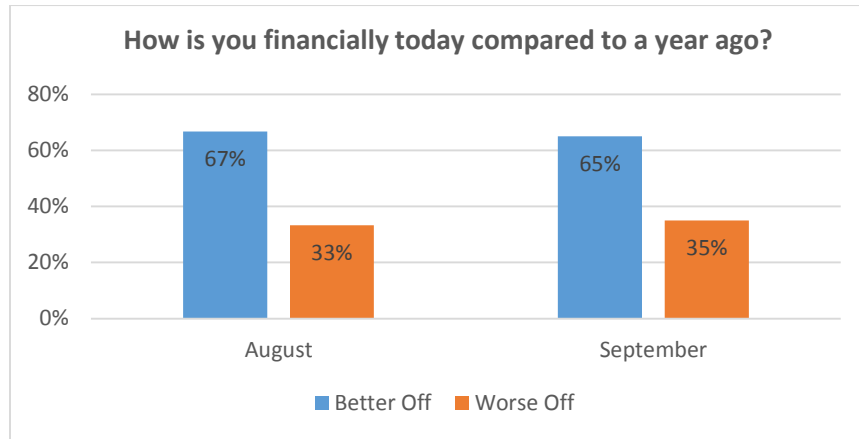
- The drop in the Index was fueled by the decrease of four of the five components of the index.
 - (Q1) Perceptions of one’s personal financial situation now compared with a year ago decreased by 4 points from 134 to 130.
 - (Q2) Perceptions of one’s personal financial situation in a year from now decreased by 8 points from 162 to 154.
 - (Q4) Reading on U.S. economic conditions in the next five years decreased by 4 points from 136 to 132.
 - (Q5) Opinions as to whether now is a good time to buy a big-ticket items such as a car decreased sharply by 12 points from 148 to 136.
- (Q3) Expectations on business conditions in the next 12 months increased by 4 points from 123 to 128.

Index Components

	Q1	Q 2	Q3	Q4	Q5	ICS
April 2016	131	151	105	111	123	94.02
May 2016	127	137	115	110	129	93.46
June 2016	148	148	125	134	146	105.81
July 2016	141	153	130	105	137	100.8
August 2016	134	162	124	136	148	106.2
September	130	154	128	132	136	102.65

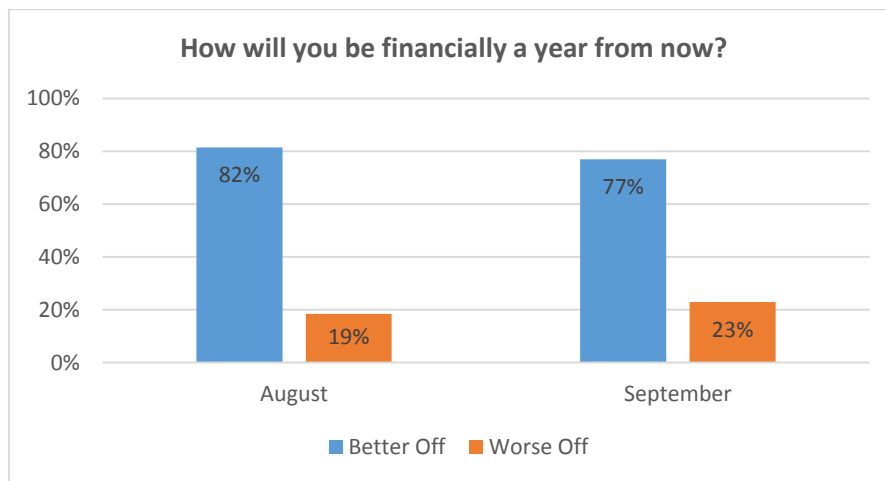
- See below details of questions for Q1, Q2, Q3, Q4, and Q5
- The lowest index possible is a 2, the highest is 150.

Q1. We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse financially than you were a year ago?



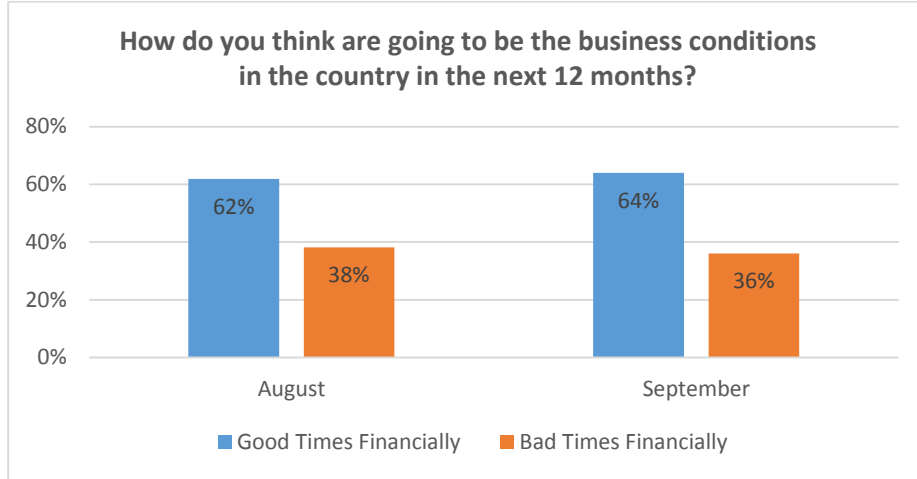
- Overall, 65% of Hispanics say they are better off today financially compared to a year ago, down by 2 points from August (65% vs. 67%)
- Females feel better financially today compared to males (66% vs. 63%)
- Older Hispanics (55+) are the most pessimistic regarding their personal finances today, with only 49% of them saying that their finances are better off compared to a year ago.
- Those with a college and graduate degree are better off financially today than those without a High School degree (81% vs. 60%).

Q2. Now, looking ahead -- do you think that a year from now you (and your family living there) will be better off financially, or worse off?



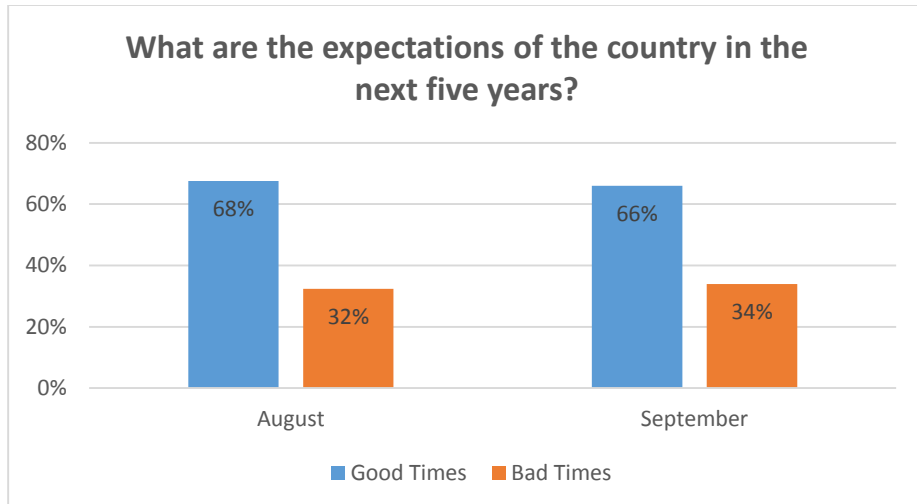
- Overall, 77 percent of Hispanics think that a year from now they will be better off financially, down by 5 points from August (77% vs. 82%)
- In September, Hispanics between 35 and 34 years old are less optimistic of their financial situation compared to August (75% vs. 84%)
- Those with income higher than \$75,000 are better off financially today than those with an income under \$25,000 (80% vs. 69%).

Q3. Now turning to business conditions in the country as a whole -- do you think that during the next 12 months we'll have good times financially, or bad times?



- Overall, expectations of U.S. economic conditions over the next year among Hispanics increased by 2 points compared to July (64% vs. 62%)
- Males have better expectations of the U.S. economy in the near future today compared to males (67% vs. 60%)

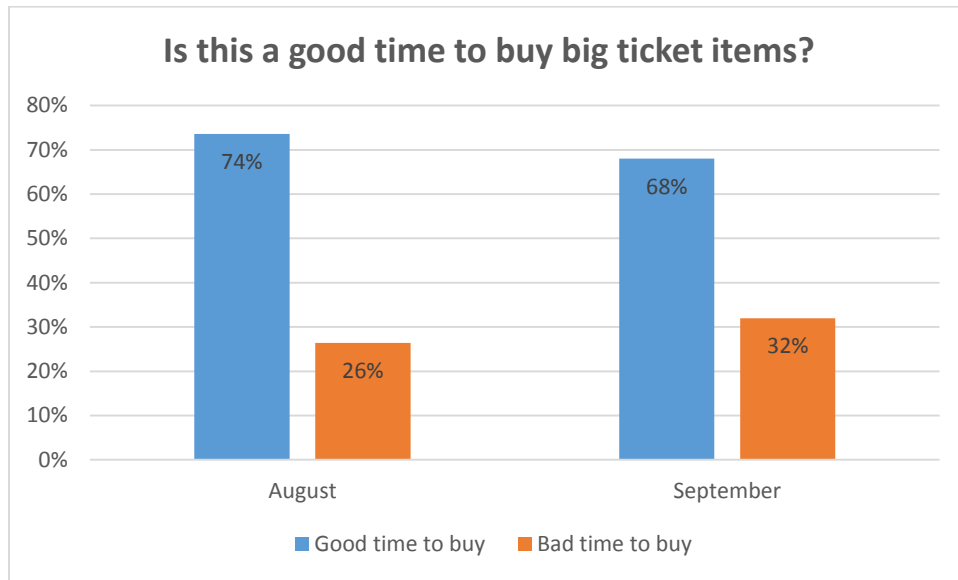
Q.4 Looking ahead, which would you say is more likely -- that in the country as a whole we'll have continuous good times during the next five years or so, or that we will have periods of widespread unemployment or depression?



- Overall, expectations of U.S. economic conditions over the next five years among Hispanics decreased by 2 points compared to August (66% vs. 68%)

- Older Hispanics (55+) are the most pessimistic about the economy in the next five years future, with 50% indicating that the economy will face bad times financially compared to only 35% in August.

Q5. About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or bad time for people to buy major household items?



- Overall, 68% of Hispanics have buying plans for big ticket items such as furniture, refrigerators, ovens or televisions, down by 4 point from August (68% vs. 74%).
- Those between 18-34 years old, have the most favorable buying plans compared to the other age groups with 76% (35-54 (58%) and 55+ (70%)).
- Those with incomes 75+, have the most favorable buying plans compared to the other income levels with 75% (under 25K (60%) and 25K-75K (69%)).

Survey Instrument

What is your gender?

Press 1 for Female

Press 2 for Male

What is your age group?

Press 1 for 17 and under (end survey)

Press 2 for 18-34

Press 3 for 35-54

Press 4 for 55 and above

Are you of Hispanic, Latino or Spanish origin?

Press 1 if you're not of Hispanic, Latino or Spanish origin (end survey)

Press 2 for yes, Mexican, Mexican American, Chicano

Press 3 for yes, Puerto Rican

Press 4 for yes, Cuban

Press 5 for yes another Hispanic, Latino or Spanish origin

Press 6 to repeat the answer choices

Were you born in the United States?

Press 1 for yes

Press 2 for no

How long have you lived in the United States?

Press 1 for less than 5 years

Press 2 for 5-20 years

Press 3 for 20+

We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse financially than you were a year ago?

Press 1 for Better Off

Press 2 for Worse Off

Now, looking ahead -- do you think that a year from now you (and your family living there) will be better off financially, or worse off?

Press 1 for Better Off

Press 2 for Worse Off

Now turning to business conditions in the country as a whole -- do you think that during the next 12 months we'll have good times financially, or bad times?

Press 1 for Good times financially

Press 2 for Bad times Financially

Looking ahead, which would you say is more likely -- that in the country as a whole we'll have continuous good times during the next five years or so, or that we will have periods of widespread unemployment or depression?

Press 1 for Good times

Press 2 for Bad times

About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or bad time for people to buy major household items?

Press 1 for Good times to Buy

Press 2 for Bad time to buy

What is your educational level?

Press 1 for less than high school

Press 2 for high school degree or equivalent

Press 3 for some college but no degree

Press 4 for a college degree

Press 5 for Graduate degree or higher

Are you currently registered as a Republican, Democrat, Independent, another party or are you not registered?

Press 1 for Republican

Press 2 for Democrat

Press 3 for Independent/another party

Press 4 for Not registered

What is your income level?

Press 1 for under \$25,000

Press 2 for \$25,001-\$75,000

Press 3 over \$75,000

Methodology

The July survey is the twenty-fourth in a series of survey's that gauges attitudes of Hispanic and Latino's in the United States. The data is collected using a mixed mode sample of online and telephone participants. The question design and analysis for the Index of Consumer Sentiment is adopted from the University of Michigan's which began in 1946, measuring consumer attitudes and expectations, and are used to evaluate economic trends and prospects (<http://www.sca.isr.umich.edu/reports.php>)

All respondents interviewed in this study were part of a fully representative sample using mixed mode random stratified probabilistic sampling method of N=500 Hispanics over the age of 18, based on a series of screening questions. The margin of error for the sample is +/- 4.33% in 19 of 20 cases.

The survey was administered using an Automated Telephone Interviewing (ATI) system (n=125). The ATI system allows data to be entered directly into a computerized database through the numbers on interviewee's phone, providing a highly reliable system of data collection. The survey was also administered through Survey Sampling International (SSI) a Worldwide Leader in Survey Sampling and Data Collection Solutions, across every mode, for 36 Years. An online sample consisted of (n=375) Hispanics. There was a 4.6% response rate for the ATI calls.

The survey was presented in both English (n=282) and Spanish (n=218) versions.

The survey was conducted August 1-31, 2016.

The results presented in this report include univariate and bivariate analysis of the data. Frequency distributions for each item included on the questionnaire are shown in the tables. In all cases, cross-tabulation results are also shown. This type of bivariate analysis examines differences between sub-groups of the overall population.

In the cases where cross tabulation results are presented, a chi-square test, an independent t-test for means, or a Z-test for independent percentages is shown. A chi-square test is used in cases where comparisons are made for categorical variables. A t-test is used in cases where comparisons are made for measurement variables. A Z-test is used in cases where comparisons are made between independent population percentages.

The purpose of these statistical tests is to determine whether or not the observed difference between sub-groups in the sample is due to sampling error or whether it is due to a real difference in the population. When the results are statistically significant, it strongly suggests that the observed difference between sub-groups found in the sample is due to a real difference in the population, and not due to sampling error.

A chi-square significance level of .05 indicates significance at the 95 percent level. In other words, it is 95 percent likely that the results are due to a real difference between comparison groups. A chi-square significance level of .01 indicates significance at the 99 percent level. When a t-test or a Z-test is shown, lower- and upper-case letters indicate significance at the 90 and 95 percent levels respectively.

Survey Parameters

Hispanic/Latino's, United States, 18+

	Total	Percentage
Age	http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B01001I&prodType=table	
18 to 34 years	15,080,185	0.424693
35 to 54 years	13,605,329	0.383158
55 years and over	6,822,923	0.192149
Gender	http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B01001I&prodType=table	
Male	17,917,947	0.504611
Female:	17,590,490	0.495389
Region	http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B01001I&prodType=table	
Northeast	5,181,117	0.145912
Midwest	3,073,012	0.086543
South	13,033,187	0.367045
West	14,221,121	0.4005
Income	http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B19001I&prodType=table	
Under \$25,000	4016453	0.285929
\$25,001-\$75,000	6580271	0.468446
Over \$75,001	3450303	0.245625
Edu	http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_C15002I&prodType=table	
Less than 12th grade	10436617	0.358917
GED or High School	7796598	0.268126
Some college, Associates	6806741	0.234085
Bachelor's degree/ Graduate	4038148	0.138872

Demographic Results (Frequency Tables)

Mode

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Telephone	145	29.1	29.1	29.1
	Online	355	70.9	70.9	100.0
	Total	500	100.0	100.0	

Language

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	English	295	58.9	58.9	58.9
	Spanish	205	41.1	41.1	100.0
	Total	500	100.0	100.0	

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	247	49.5	49.5	49.5
	Male	252	50.5	50.5	100.0
	Total	500	100.0	100.0	

Age Group

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-34	212	42.5	42.5	42.5
	35-54	191	38.3	38.3	80.8
	55+	96	19.2	19.2	100.0
	Total	500	100.0	100.0	

Ethnicity

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Mexian/Mex Amer/Chicano	281	56.2	56.2	56.2
	Puerto Rican	74	14.7	14.7	71.0
	Cuban	33	6.6	6.6	77.6
	Other Spanish Origin	112	22.4	22.4	100.0
	Total	500	100.0	100.0	

Party Affiliation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Republican	158	31.6	31.6	31.6
	Democrat	222	44.5	44.5	76.1
	Another Party	72	14.5	14.5	90.6
	Not Registered	47	9.4	9.4	100.0
	Total	500	100.0	100.0	

Education Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than HS	179	35.9	35.9	35.9
	HS or equivalent	134	26.8	26.8	62.7
	some college, no degree	117	23.4	23.4	86.1
	College degree	69	13.9	13.9	100.0
	Total	500	100.0	100.0	

Income Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	under \$25,000	143	28.6	28.6	28.6
	\$25,001-\$75,000	234	46.8	46.8	75.4
	\$75,000+	123	24.6	24.6	100.0
	Total	500	100.0	100.0	

Region

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Northeast	73	14.6	14.6	14.6
	Midwest	43	8.7	8.7	23.3
	South	183	36.7	36.7	59.9
	West	200	40.1	40.1	100.0
	Total	500	100.0	100.0	

COMPONENTS OF CONSUMER SENTIMENT INDEX

		Q1	Q2	Q3	Q4	Q5	ICS
Language	English	120	152	116	108	126	94.07
	Spanish	144	158	144	166	150	114.79
Gender	Female	132	162	120	132	136	102.95
	Male	126	146	134	132	136	101.77
Age Group	18-34	148	166	148	148	152	114.79
	35-54	124	150	116	128	116	95.85
	55+	98	132	104	100	140	86.96
Education Level	Less than HS	120	152	114	142	128	99.10
	HS or equivalent	122	152	140	124	128	100.58
	some college, no degree	134	144	130	122	144	101.77
	College degree	162	176	140	130	158	115.38
Party Affiliation	Republican	142	152	128	122	142	103.54
	Democrat	124	152	140	144	138	105.32
	Another Party	106	162	84	110	102	85.48
	Not Registered	146	156	134	138	162	110.94
Income Level	under \$25,000	106	138	124	138	120	94.66
	\$25,001-\$75,000	130	160	124	128	138	102.65
	\$75,000+	154	160	138	132	150	110.65
Region	Northeast	134	168	142	160	122	109.46
	Midwest	112	160	88	92	146	90.52
	South	124	150	116	124	128	97.03
	West	136	150	142	138	146	107.39