



## Hispanic Attitudes on Their Personal Finances and the Economy

December 2016

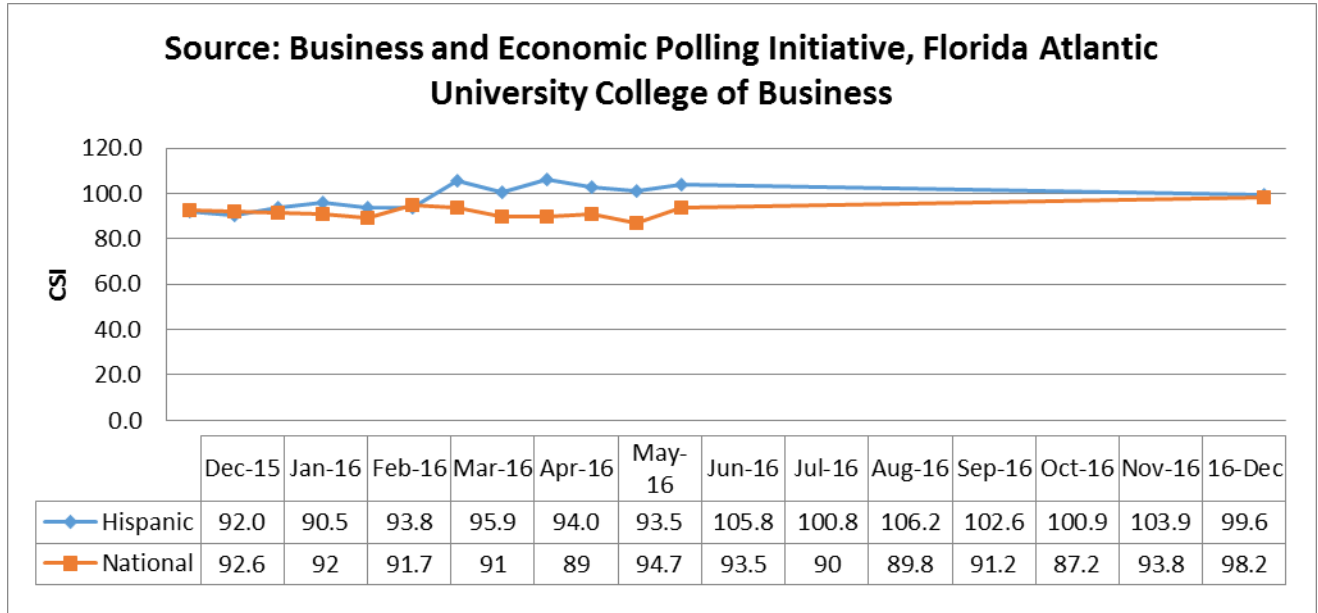
	<b>December 2016</b>	<b>November 2016</b>	<b>December 2015</b>
Index of Consumer Sentiment	99.6	103.9	92.0
Current Economic Conditions	101.9	116.7	96.6
Index of Consumer Expectations	94.9	95.8	89.1

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## Executive Summary

The Hispanic Consumer Sentiment Index (CSI) lost 4.3 points from 103.9 in November to 99.6 in December. The Michigan index increased 4.4 points to 98.2 and the overall difference between the indexes is 1.4 points, the closes margin since May 2016.



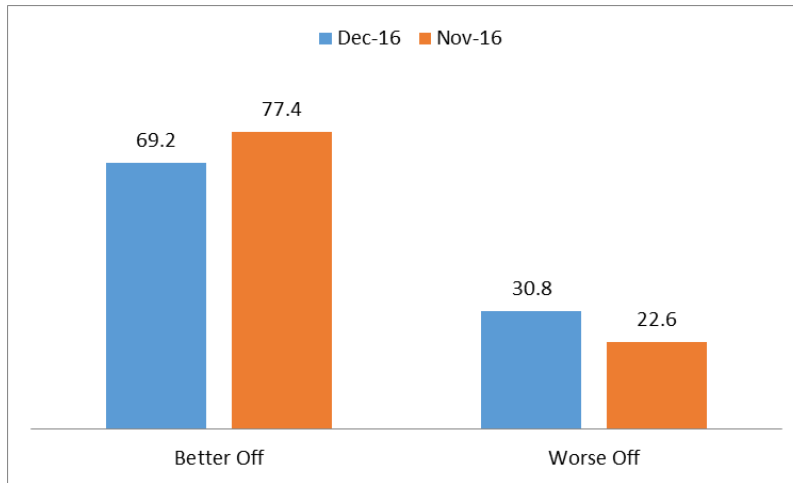
- A decrease in consumer economic conditions (Q1, Q2 & Q5) caused the index to drop.
  - (Q1) Perceptions of one's personal financial situation compared with a year ago dropped in December by 17 points from 155 to 138.
  - (Q5) Opinions as to whether now is a good time to buy a big-ticket items such as a car decreased by 17 points from 148 to 131.
  - (Q2) Perceptions of one's personal financial situation in a year from now decreased by 11 points from 162 to 151
- (Q3) Expectations on business conditions in the next 12 months increased from 162 down to 151.
- (Q4) Reading on U.S. economic conditions in the next 5 years increased from 113 to 120.

### Index Components

	Q1	Q 2	Q3	Q4	Q5	ICS
July 2016	141	153	130	105	137	100.8
August 2016	134	162	124	136	148	106.2
September 2016	130	154	128	132	136	102.65
October 2016	132	154	128	130	124	100.88
November 2016	155	162	111	113	148	103.94
December 2016	138	151	119	120	131	99.60

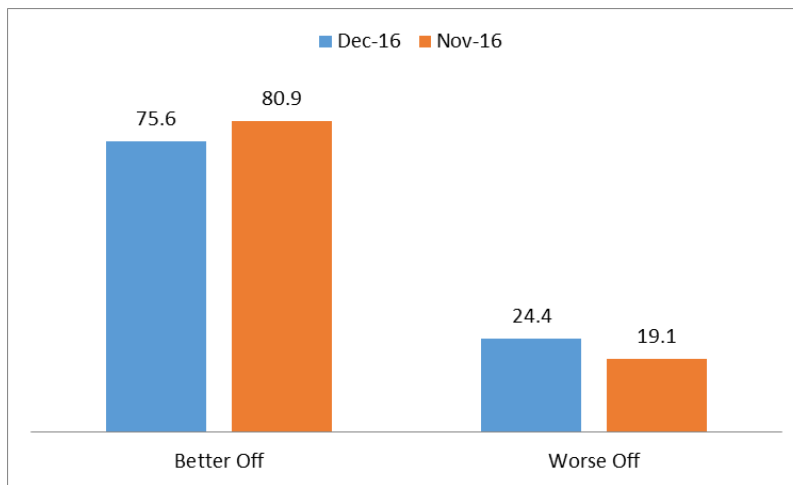
- See below details of questions for Q1, Q2, Q3, Q4, and Q5
- The lowest index possible is a 2, the highest is 150.

**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?**



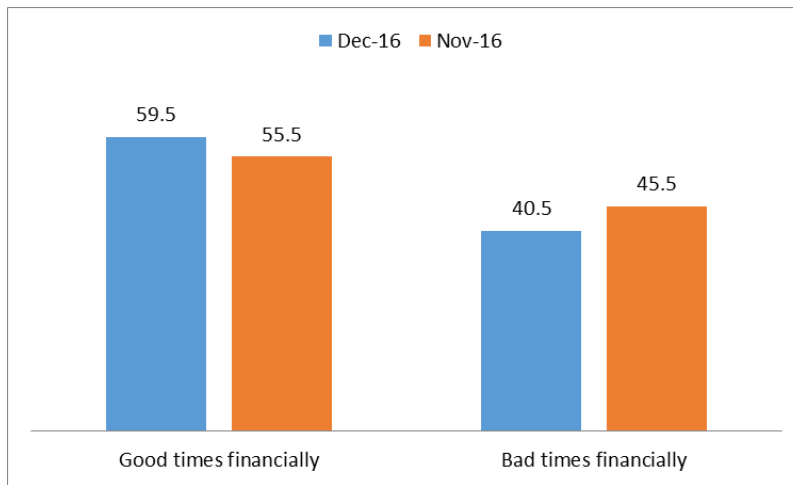
- Overall, 69% of Hispanics say they are better off today financially compared to a year ago, down by 8 points from November (77%) but up 3 points since October (66%)
- Females now feel better financially today compared to males (73% to 65%) which is reversed from last month when females trailed males (71% to 83%)
- Hispanics who have attained a High School degree or better were likely to be better off (74%) than those with less than a High School degree (58%)

**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?**



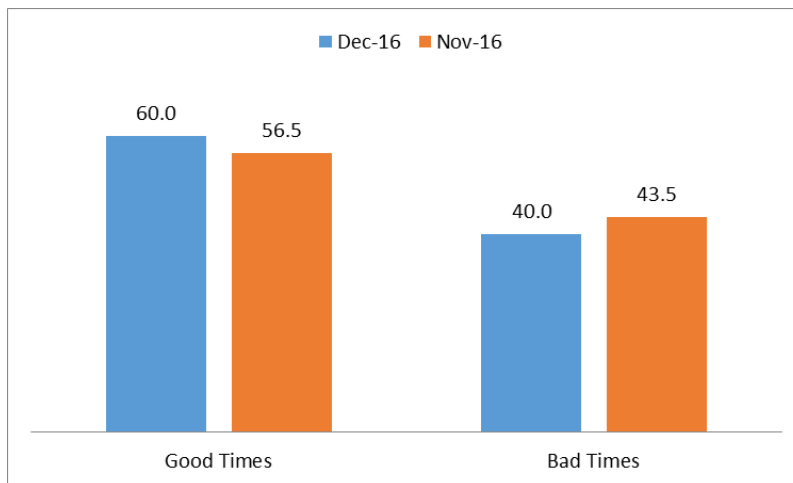
- Overall, 76 percent of Hispanics think that a year from now they will be better off financially, decreasing 5 points from November's score of 81.
- Republicans expect to be better off than Democrats 89% to 59%, an increase of 17 points (93% to 80% in November).
- Hispanics over 55 years old are most pessimistic with 42% saying they will be worse off in a year.

**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?**



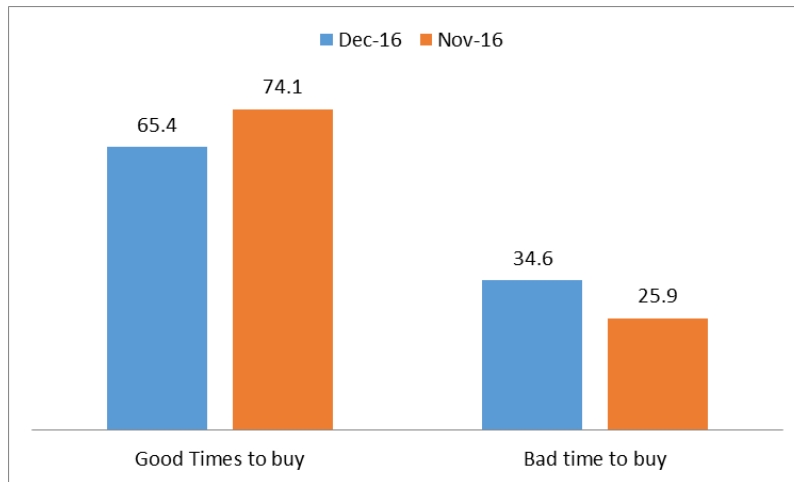
- Overall, expectations of U.S. economic conditions over the next year among Hispanics increased 4 points from November's score of 56 to 60 in December.
- The Midwest differed significantly from the other three regions with 66% expecting bad times for business in this country compared with a 39% average among the other three regions.

**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 increased 3 points from 57 in November to 60 in December.
- Hispanics with a graduate degree or better were the least optimistic with 45% saying good times compared with the rest of the Hispanic population at 61%.

**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, 65% of Hispanics have buying plans for big ticket items such as furniture, refrigerators, ovens or televisions which is down 9 points from November (74%).
  - This maybe be due to holiday shopping as the October score was similar to the current score at 62%.
- Age appears to correlate with attitude about time to make big ticket purchases with 75% of 18-34 in agreement, then dropping to 61% of those 35-54 and 52% of those over 55

## 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 December survey is the twenty-eighth 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=85). 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=415) Hispanics. There was a 4.6% response rate for the ATI calls.

The survey was presented in both English (n=257) and Spanish (n=243) versions.

The survey was conducted December 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
<b>Age</b> <a href="http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B01001I&amp;prodType=table">http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B01001I&amp;prodType=table</a>		
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
<b>Gender</b> <a href="http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B01001I&amp;prodType=table">http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B01001I&amp;prodType=table</a>		
Male	17,917,947	0.504611
Female:	17,590,490	0.495389
<b>Region</b> <a href="http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B01001I&amp;prodType=table">http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B01001I&amp;prodType=table</a>		
Northeast	5,181,117	0.145912
Midwest	3,073,012	0.086543
South	13,033,187	0.367045
West	14,221,121	0.4005
<b>Income</b> <a href="http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B19001I&amp;prodType=table">http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_B19001I&amp;prodType=table</a>		
Under \$25,000	4016453	0.285929
\$25,001-\$75,000	6580271	0.468446
Over \$75,001	3450303	0.245625
<b>Edu</b> <a href="http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_C15002I&amp;prodType=table">http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_C15002I&amp;prodType=table</a>		
Less than 12th grade	10,763,171	0.341917
GED or High School	8,737,990	0.276126
Some college	5575654	0.176085
Ass/Bachelor's degree	5,121,662	0.162000
Graduate degree	1454730	0.461422

## Demographic Results (Frequency Tables)

### Mode

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Telephone	85	17.1	17.1	17.1
	Online	415	82.9	82.9	100.0
	Total	500	100.0	100.0	

### Language

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	English	257	51.4	51.4	51.4
	Spanish	243	48.6	48.6	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	Mexican/Mex Amer/Chicano	250	49.9	49.9	49.9
	Puerto Rican	93	18.5	18.5	68.4
	Cuban	20	3.9	3.9	72.4
	Other Spanish Origin	138	27.6	27.6	100.0
	Total	500	100.0	100.0	

**Where were you born**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	US	326	65.2	65.2	65.2
	Outside US	174	34.8	34.8	100.0
	Total	500	100.0	100.0	

**How Long have you lived in US**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<5	29	5.8	5.8	5.8
	5-20	141	28.3	28.3	34.1
	>20	330	65.9	65.9	100.0
	Total	500	100.0	100.0	

**Party Affiliation**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Republican	153	30.6	30.6	30.6
	Democrat	166	33.1	33.1	63.8
	Another Party	98	19.7	19.7	83.5
	Not Registered	83	16.5	16.5	100.0
	Total	500	100.0	100.0	

**Education Level**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than HS	170	34.0	34.0	34.0
	HS or equivalent	138	27.7	27.7	61.7
	some college, no degree	88	17.6	17.6	79.3
	College degree	80	16.1	16.1	95.4
	Graduate degree or higher	23	4.6	4.6	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	
Mode	Telephone	92	95	98	101	78	70.57
	Online	148	163	123	124	142	105.57
	Total	138	151	119	120	131	99.60
		Q1	Q2	Q3	Q4	Q5	
Language	English	129	151	124	115	138	99.17
	Spanish	149	152	114	125	123	100.04
	Total	138	151	119	120	131	99.60
		Q1	Q2	Q3	Q4	Q5	
Gender	Female	147	168	121	125	138	105.45
	Male	131	134	117	115	124	93.86
	Total	138	151	119	120	131	99.60
		Q1	Q2	Q3	Q4	Q5	
Age Group	18-34	147	168	126	133	151	109.31
	35-54	135	150	114	111	122	95.65
	55+	125	117	113	109	103	85.96
	refused	100	100	100	100	100	76.01
	Total	138	151	119	120	131	99.60
		Q1	Q2	Q3	Q4	Q5	
Ethnicity	Mexican/Mex Amer/Chicano	135	145	115	104	115	92.96
	Puerto Rican	140	153	103	129	162	103.70
	Cuban	151	175	135	141	129	110.30
	Other Spanish Origin	142	158	134	140	138	107.32
	Total	138	151	119	120	131	99.60
		Q1	Q2	Q3	Q4	Q5	
Where were you born	US	146	155	116	121	141	102.55
	Outside US	124	144	124	118	112	94.07

	Total	138	151	119	120	131	99.60
		Q1	Q2	Q3	Q4	Q5	
How Long have you lived in US	<5	153	170	148	178	170	123.16
	5-20	163	173	111	140	135	108.90
	>20	127	140	120	106	126	93.53
	Total	138	151	119	120	131	99.60
		Q1	Q2	Q3	Q4	Q5	
Which of the following categories best describes your employment status?	Full Time	161	162	135	127	133	108.33
	Part Time	97	142	93	92	101	79.84
	Unemployed, Looking	126	171	118	138	142	104.83
	Unemployed, Not looking	152	144	101	122	142	99.81
	Retired	127	114	138	115	136	95.25
	Disabled, Can't work	80	102	87	52	98	63.99
	Total	138	151	119	120	131	99.60
		Q1	Q2	Q3	Q4	Q5	
Party Affiliation	Republican	147	178	140	142	136	111.85
	Democrat	129	118	117	105	119	88.94
	Another Party	116	137	85	112	147	90.35
	Not Registered	170	186	124	119	126	109.28
	Total	138	151	119	120	131	99.60

		Q1	Q2	Q3	Q4	Q5	
Education Level	Less than HS	115	131	96	117	117	87.19
	HS or equivalent	146	159	125	131	136	105.19
	some college, no degree	158	168	136	121	127	107.13
	College degree	154	162	135	115	153	108.31
	Graduate degree or higher	138	154	131	90	137	98.29
	Total	138	151	119	120	131	99.60
		Q1	Q2	Q3	Q4	Q5	
Income Level	under \$25,000	100	135	118	125	124	91.10
	\$25,001-\$75,000	146	152	116	111	128	98.55
	\$75,000+	168	170	125	132	145	111.47
	Total	138	151	119	120	131	99.60
		Q1	Q2	Q3	Q4	Q5	
Region	Northeast	151	147	116	113	144	101.27
	Midwest	163	139	67	89	124	88.32
	South	140	165	122	126	130	103.22
	West	127	143	128	123	128	98.11
	Total	138	151	119	120	131	99.60