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# Twenty-Somethings Less Financially Independent

**Significantly fewer 20-29 year-olds say they feel financially successful compared to 2011.**

PITTSBURGH, July 25, 2013 /PRNewswire/ -- Financial independence is even more elusive than it was two years ago for 20-somethings coming of age amid global economic uncertainty. Millennials with at least some college education who claim to be "totally independent" decreased 26 percent in 2013 (17 percent) compared to 2011 (23 percent), according to the second nationwide survey by The PNC Financial Services Group, Inc. (NYSE: PNC).

"Many of my peers suffer from a failure-to-launch syndrome directly related to the surge in unemployment during the Great Recession and slow pace of recovery," said Mekael Teshome, economist at The PNC Financial Services Group. "It is not a lack of ambition we are seeing in these data. It is more about a lack of opportunity that has hindered many young adults' progress against their professional and financial objectives."

More than half (58 percent) of 20-29 year-olds with some college rate themselves behind where they expected to be in terms of financial success, a 26 percent increase since 2011. However, for many of these children of baby-boomers, optimism remains high; 60 percent of those who *do not* identify as "totally independent" are determined to be independent soon.

The second [\*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 both within the age group and among those with and without higher education.

## Path to Financial Independence

The top three factors identified by 20-somethings as essential to achieving financial independence are:

- **Paying the bills (78 percent):** While paying one's own living expenses is considered essential to achieving financial independence, only six in 10 (60 percent) of those aged 25-29 have achieved that milestone.
- **Obtaining full-time job in preferred profession (59 percent):** Only one third (35 percent) of 25-29 year-olds surveyed described their current job as an established position in their chosen field while 71 percent had expected to hit this milestone already. Hard work (64 percent), experience (58 percent) and education (57 percent) are the factors that 20-somethings believe did or will help get that elusive, preferred job.

- **Moving out of parents' home (55 percent):** Forty percent of all 20-somethings and more than one-fourth (28 percent) of 25-29 year olds still live with parents or other relatives. There are also more mama's boys (44 percent) than daddy's little girls (37 percent) when it comes to still living with parents.

"Twenty-somethings tend to have fewer skills than their older counterparts and generally earn less as well, which makes it especially difficult for them to cope with a competitive job market and steer their lives in the direction they hoped," Teshome said.

### **Findings: Achievement, Realism, Stress, Education**

- **Better Off:** Only 53 percent say they are better off financially than their parents were at this age. Hispanics are more likely than others to say that they are better off than the previous generation. Those with some college education are more likely to say they are better off.
- **Optimism Turns to Realism:** While most 20-somethings tend to be optimistic about their future, a new element of realism sets in for many around 25 years of age as they display less optimism about issues like paying off debt, finding a career they love and their general financial future.
- **Great Expectations:** Though more likely to be financially independent, those in their mid-to-late twenties are more likely to describe themselves as behind expectations than are 20-24 year olds. Females (64 percent) are far more likely than males (43 percent) to describe themselves as behind expectations.
- **Stress Factors:** Twenty-somethings find financial issues most stressful, particularly a perceived lack of financial security (23 percent), followed by uncertainty of finding a job (17 percent).
- **The College Advantage:** Higher education matters when it comes to identifying oneself as having a high level of financial independence. Only 36 percent with a high-school education rate themselves as financially independent compared to 50 percent of those with a college degree. Those with more education are more optimistic on every measure than are those with only high school, regardless of age.

### **Financial Tips**

PNC helps consumers increase their financial knowledge through the interactive "PNC Achievement Sessions" on [www.pnc.com/AchievementSessions](http://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 and regional survey results, tips and infographics is available on PNC's website at <http://pnc.mediaroom.com/financialindependencesurvey>.

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### **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. The margin of error for the total results is +/- 1.7 percent at the 95 percent

confidence level. Artemis Strategy Group ([www.Artemissg.com](http://www.Artemissg.com)) designed and managed the survey.

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