Financial access among remittance-senders

Inter-American Dialogue
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Financial behavior
Checking account ownership among migrants

Savings account ownership among migrants

![Bar chart showing savings account ownership among migrants from different countries in 2009 and 2010. The chart includes countries such as Mexico, Guatemala, El Salvador, Cuba, Colombia, Dominican Republic, and Ecuador. The x-axis represents the countries, and the y-axis represents the percent savings. The chart indicates varying levels of savings account ownership across the countries and years.]
Bank account ownership among migrants

Migrants have few financial obligations and low financial access

Migrants are not a monolithic group that either has no financial access and no obligations or has both.

Moreover, those owning accounts are more likely to send more money

## Immigrant communities, financial services and remittance transfers—

- **Market:** immigrant, 13% of US population;  
- **Demand of financial services:** 6 products;  
- **Use of services at NBFI:** 2;

<table>
<thead>
<tr>
<th>Financial services</th>
<th>Personal Income US$</th>
<th>Check cashers (3/month)</th>
<th>Bill payers (2/month)</th>
<th>Money orders (1/month)</th>
<th>Phone card (200 m/month)</th>
<th>Checking account holders*</th>
<th>Savings</th>
<th>Savings accounts</th>
<th>Credit Card holders</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Users (%)</strong></td>
<td></td>
<td></td>
<td>60%</td>
<td>70%</td>
<td>40%</td>
<td>20%</td>
<td>70%</td>
<td>60%</td>
<td>40%</td>
</tr>
<tr>
<td>Foreign born market size</td>
<td>38,311,525</td>
<td>30,000</td>
<td>22,986,915</td>
<td>26,818,068</td>
<td>15,324,610</td>
<td>7,662,305</td>
<td>26,818,068</td>
<td>22,986,915</td>
<td>22,986,915</td>
</tr>
<tr>
<td>Latino immigrant</td>
<td>20,396,945</td>
<td>27,000</td>
<td>12,238,167</td>
<td>14,277,862</td>
<td>8,158,778</td>
<td>4,079,389</td>
<td>14,277,862</td>
<td>12,238,167</td>
<td>12,238,167</td>
</tr>
</tbody>
</table>

| Amount | 5,400 | 4,000 | 2,000 | 2,000 | 360 | 25,000 | 3,500 | 3,500 |
| Transaction Volume | 372,388,025,177 | 107,272,270,627 | 30,649,220,179 | 15,324,610,090 | 9,654,504,356 | 574,672,878,360 | 80,454,202,970 | 53,636,135,314 | - |
| RPT or cost | 1% | 6% | 0.45 | 0.35 | 7.5 | 1% |
| Annual revenues | 4,096,268,276 | 5,899,974,884 | 6,896,075 | 2,681,807 | 201,135,507 | 6,321,401,661 |
| Principal Financial Service | NBFI (MSB) | NBFI (MSB) | NBFI (MSB) | NBFI (MSB) | MSB-Retail | Bank | Informal | Bank |
| Preference to switch | 60% | BFI | BFI-internet -cards | uncertain | BFI | BFI | BFI | BFI |
| Competition | 50 major check cashers | 100 major RSPs |

Opportunity for financial institutions
Most migrants save

Some unbanked migrants are saving

And the average saved amount increases with income

And the average saved amount is significant but has decreased since the financial crisis.
Disposition to Change Remittance Method by Type of Remitter (Chi-Square = 23.145, $p < .0001$)