

**SPENDING AND INVESTMENT BEHAVIOR OF YOUNG PROFESSIONALS  
WORKING IN SELECTED CITIES  
IN CAVITE AND MANILA**

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**ALMAREZ, CHARMAINE P.  
DE GUZMAN, IVY LHET A.  
EBRADA, NIKKI REI M.**

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## ABSTRACT

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This study was conducted to determine the spending and investment behavior of young professionals working in selected cities in Cavite and Manila. Specifically, it aimed to: (1) determine the socio-economic profile of young professionals, (2) describe their spending behavior, (3) determine the investment behavior of young professionals as reflected by their investment knowledge, choices, and attitude, (4) determine the relationship between the socio-economic profile such as age, gender, courses, monthly net income and the spending and investment behavior, and (5) compare the spending and investment behavior of young professionals working in Cavite and Manila.

The participants of the study comprised of 300 young professionals working in selected cities in Cavite (150) and Manila (150). Selected cities in Cavite were Bacoor, Cavite City, Dasmarinas, General Trias, Imus, Tagaytay and Trece Martires. Whereas selected cities in Manilas were Las Pinas, Makati, Mandaluyong, Manila, Muntinlupa and Taguig. Frequency count, mean, percentage, and standard deviation were used to determine the socio-economic profile and the spending and investment behavior. Five-point Likert scale was used to determine the spending behavior of the participants, investment attitude and reliance on the sources of investment information. While, three-point Likert scale was used in determining the degree of comfort in making investment decisions and risk tolerance of young professionals. On the other hand, four-point Likert



scale was used to determine the appropriateness of the given investments as a means of achieving the participants' financial goals.

Results revealed that the spending of young professionals in Cavite and Manila shows significant difference in the areas of health, education, recreational activities, charities and church contributions. In terms of the spending behavior of the participants working in Cavite and Manila, it showed that they were highly inconsistent, specifically on their monthly spending pattern and in setting up a monthly budget. When it comes to investment, majority of young professionals working in Cavite and Manila were investing on savings accounts, mutual funds, insurance, and investment in property and vehicle.

With regards to their investment behavior, young professionals are moderately knowledgeable when it comes to investing and that female participants in Cavite are more knowledgeable than the male participants. Also, the overall participants give importance on their knowledge about investments and taking this into consideration, they are likely to invest only in safe and moderately risky investments and are only moderately comfortable in making investment decisions.

In terms of investment attitude of young professionals, the results showed that majority of them plan before involving into an investment and they only enter an investment that they fully understand whereas, most of the participants often considered portfolio diversification and returns in choosing an investment. While, the main reasons for investing of young professionals are to have funds for emergency needs, to have source of passive income and to prepare for retirement.



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