

Bringing Immigrants into Mainstream Banking System

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Consumer Banking in Latin America

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Federal Reserve Bank Community Affairs

- Promotion of efficient markets
- Banking growth and performance
- Consumer protection and education
- Identification of credit and banking needs
- Outreach to underserved markets
- Improved delivery system
- Promotion of ethical business environment

Basic Benefits of Banking

- Safekeeping
- Money management and payments
- Record of financial transactions
- Begin to establish credit
- Access additional financial products
- Lower financial services expenses

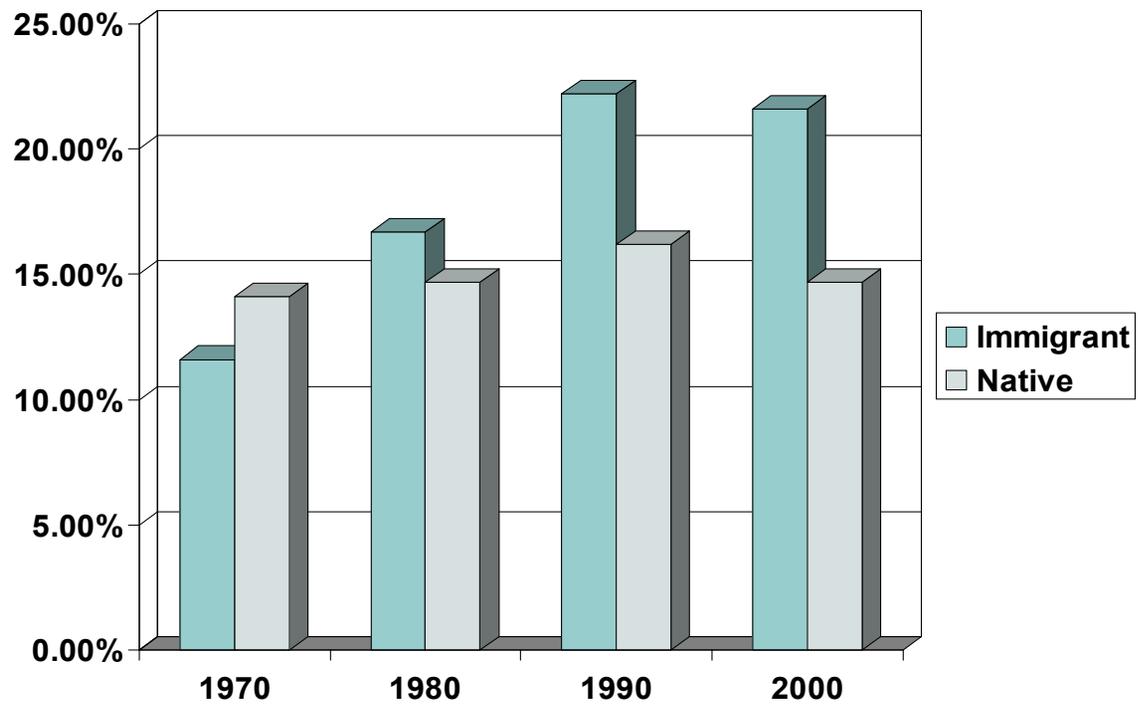
Financial Benefits of Banking

- Entrance into mainstream financial system
- Deposit insurance and consumer protection
- Short and long term cost savings
- Asset and wealth accumulation
- Better money management and investment

Defining the Immigrant Market

- Foreign national vs. immigrant
- Documented vs. undocumented
- Socioeconomic diversity
- Various national, ethnic, cultural groups
- Language preferences
- Educational and occupational diversity
- Range of financial proficiency

Child Poverty Rates Age 0 - 17



Based on US Census data

Federal Reserve Bank Immigrant Banking Initiative

- Research and analysis
 - **Center for the Study of Financial Access for Immigrants** – Federal Reserve Bank of Chicago
 - **Banking on Remittances: Increasing Market Efficiencies for Consumers and Financial Institutions** – Federal Reserve Board and Federal Reserve Bank of Atlanta
 - **International Remittances: Information for New England Institutions** – Federal Reserve Bank of Boston

Federal Reserve Bank Immigrant Banking Initiative

- Outreach and education
 - **A Guide to Your First Bank Account**
 - Federal Reserve Bank of Atlanta
 - **Building Wealth: A Beginner's Guide to Securing Your Financial Future**
 - Federal Reserve Bank of Dallas
 - **A Guide to Business Credit for Women, Minorities, and Small Businesses**
 - Federal Reserve Bank of Atlanta

Federal Reserve Bank Immigrant Banking Initiative

- **Products and Policy**
 - Directo a Mexico – Fed ACH product
 - New Alliance Task Force – FDIC collaboration
 - Predatory Lending legislation and regulation

Federal Reserve Bank Immigrant Banking Initiative

- Potential projects
 - Homeland financial education
 - Increased collaboration with foreign-based banks and other financial services
 - Continued work with US financial institutions
 - Market research
 - Product development

Online Resources

Federal Reserve System

- <http://www.federalreserve.gov/community.htm>
- http://www.chicagofed.org/community_development/center_for_the_study_of_financial_access_for_immigrants.cfm
- http://www.chicagofed.org/cedric/files/2005_conf_paper_session3_hogarth.pdf
- <http://www.dallasfed.org/educate/pfe.html>
- <http://www.bos.frb.org/commdev/pcadp/2005/pcadp0501.pdf>
- http://www.fdic.gov/regulations/examinations/supervisory/insights/siwin04/latino_mkt.html
- <http://www.dallasfed.org/research/swe/2003/swe0306a.html>
- http://programaderemesas.org/docs/2005_conf_paper_session3_hogarth.pdf

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