

Factors that Affect the Financial Risk Tolerance of Chinese Households in the U.S.

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Wealth accumulation of the fast growing Chinese American population is affected by financial risk tolerance. Research involving Chinese American households is extremely limited. This article focuses on factors that affect financial risk tolerance of Chinese American households. Usually the numbers of such households surveyed for national databases are inadequate to be distinguishable as a cultural sect. Through surveying Chinese American households residing in five Midwestern states, it was found that about four-fifths of the sample households expressed a willingness to take some financial risks. Factors that have an impact on financial risk tolerance of Chinese American households included gender, education, income, and investment horizon.

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