

## ABSTRACT

*The economic growth of DKI Jakarta is always higher than the economic growth of Java and National. With relatively good performance of the economy of DKI Jakarta, it has a positive impact on the welfare of the people in DKI Jakarta, which is characterized by conditions of poverty that can be improved, offset by an increase in community income which is a factor driving improvements in the welfare conditions of the people in DKI Jakarta. However, with the increasing income of the people of DKI Jakarta, the lifestyle of the community tends to be consumptive. Consumptive lifestyles that are not matched by financial literacy can cause various negative effects and one of them is financial stress. Lack of understanding to manage finance (financial literacy) will cause financial distress.*

*This study is aimed at finding the relation between financial literacy and financial distress in young adults in DKI Jakarta. The research method used in this study is quantitative method. The data are collected through questionnaires given to young adults in DKI Jakarta. The population of this study was 1.750.102 people and the selected sample was 400 people are chosen through purposive sampling. The measurement device used in this study is ordinal scale and The InCharge Financial Distress/Financial Well-being (IFDFW) for financial distress variables. The analysis techniques used in this study are descriptive analysis and Pearson product-moment parametric correlation analysis.*

*The study shows that the financial literacy level of the young adults is high while the financial distress level of them is moderate. The study also shows that there is a positive and strong correlation between financial literacy and financial distress in young adults in DKI Jakarta.*

***Keywords: Financial Literacy, Financial Attitude, Financial Behavior, Financial Knowledge, Financial Distress, DKI Jakarta.***