

ABSTRACT

Indonesia continues to move forward in the digital era. Technology, internet and social media have become basic necessities for society, especially the millennial generation. Millennial generation is the largest internet user in Indonesia. However, with the development of technology, millennial generation has become more consumptive because they often consume or shop online through social media or e-commerce. Consumptive behavior that are not balanced with financial literacy can cause negative impacts, such as financial distress.

This study is aimed at finding the relation between financial literacy and financial distress in the millennial generation in Semarang City. This study used quantitative method. The data are collected through distributing questionnaires to millennial generation in Semarang City. The population of this study are to 797,839 people and the sample was selected through purposive sampling of 400 people. The measuring instrument in this study is a Likert scale for financial literacy variables and the InCharge Financial Distress / Financial Well-being (IFDFW) scale for financial distress variables. The analysis technique used in this study are descriptive analysis and parametric correlation analysis of the Pearson product moment.

The study shows that the financial literacy level of the milenial generation in Semarang City is high while the financial distress level of them is moderate. The study also shows that there is a positive and weak correlation between financial literacy and financial distress in the milenial generation in Semarang City.

Keywords: *Financial Literacy, Financial Attitude, Financial Behavior, Financial Knowledge, Financial Distress, Generasi Milenial.*