

ABSTRACT

Generation Z is heavily influenced by social media trends, which often drive overconsumption and impulsive actions to align with societal expectations. However, as they grow older, their financial literacy tends to improve significantly. This generation frequently faces stress and anxiety, which can lead to "doom spending" as a coping mechanism to alleviate emotional pressures.

This research seeks to examine the impact of financial literacy (FL) on the financial behaviour (FB) of Generation Z in Bandung City, with financial risk tolerance (FRT) serving as a mediating variable and emotional intelligence (EI) acting as a moderating variable. A quantitative approach was used in this study with purposive sampling method on 400 respondents of Generation Z in Bandung City after that, data were analyzed using SPSS.

The results show that financial literacy has a significant direct effect on financial behaviour. However, no significant effect of financial literacy on financial risk tolerance, and financial risk tolerance also did not have a significant effect on financial behaviour, so the mediation path was not statistically proven. Meanwhile, emotional intelligence significantly moderates the influence of financial literacy on financial behaviour, but does not moderate the relationship between financial literacy and financial risk tolerance. Moderation mediation on the indirect path is also not significant. These findings highlight that emotional intelligence strengthens the direct impact of financial literacy on financial behaviour, but it is insufficient to enhance the indirect relationship through financial risk tolerance

Keywords: financial literacy, financial behaviour, financial risk tolerance, emotional intelligence.