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**Hispanic Entrepreneurs Bullish on 2020 Business Outlook,
With Revenue Projections Rising to Four-Year High**
Nine in Ten Plan to Grow their Business in the Decade Ahead

CHARLOTTE – U.S. Hispanic small business owners anticipate a decade of robust expansion and growth, expressing a brighter business outlook than their non-Hispanic peers in the year ahead, according to the fourth annual **Bank of America Business Advantage 2020 Hispanic Business Owner Spotlight**.

The annual study based on a survey of more than 1,000 entrepreneurs across the country reveals:

Outlook remains strong for Hispanic entrepreneurs, exceeding that of their non-Hispanic peers.

- 89 percent of Hispanic entrepreneurs plan to expand over the next 12 months (vs. 68 percent of non-Hispanic entrepreneurs, and up slightly from 87 percent in 2019).
- 79 percent expect their revenue to increase in the year ahead, a four-year high (vs. 57 percent of non-Hispanic entrepreneurs, and up from 74 percent in 2019).
- 45 percent plan to hire in 2020 (vs. 24 percent of non-Hispanic entrepreneurs, and down from 51 percent in 2019).
- 78 percent plan to obtain financing over the next 12 months (vs. 49 percent of non-Hispanic entrepreneurs). The top three ways Hispanic entrepreneurs intend to obtain financing include tapping into personal savings (38 percent), applying for a bank loan (31 percent) and utilizing personal credit cards (23 percent).

“Hispanic entrepreneurs are entering the new decade on a high note, with many pursuing growth strategies—both for the year ahead and by investing in their long-term future,” said Elizabeth Romero, Senior Vice President, Small Business Centralized Client Management & Specialty Support executive, Bank of America. “Despite these strong forecasts, most Hispanic entrepreneurs continue to report obstacles to business growth. Bank of America is committed to partnering with Hispanic business owners to address these challenges and help fuel growth for their businesses.”

Hispanic entrepreneurs see the 2020s as a decade of opportunity.

A strong majority of Hispanic business owners (92 percent) believe the small business environment will strengthen for their community over the next five years, and 90 percent have set ambitious goals to advance or grow their business in the new decade. Specifically, their top five goals over the next 10 years include: significantly increasing revenue (57 percent), prioritizing the digital presence of their business (45 percent), expanding into new markets (34 percent), significantly increasing staff (30 percent), and automating business operations (29 percent).

Hispanic entrepreneurs’ still bullish, yet confidence in the economy is down slightly year-over-year.

- 62 percent of Hispanic entrepreneurs are confident their local economy will improve in the year ahead (vs. 52 percent of non-Hispanic entrepreneurs, and down from 68 percent in 2019).
- 53 percent are confident the national economy will improve over the next 12 months (vs. 49 percent of non-Hispanic entrepreneurs and down from 59 percent in 2019).

Economic concerns decline, yet remain elevated over their non-Hispanic counterparts.

- Health care costs remain the most worrisome economic issue for Hispanic entrepreneurs (63 percent), though concern fell to the lowest level since the survey began in 2017.
- Other top concerns of Hispanic business owners in 2020 include the political environment (59 percent), strength of the U.S. dollar (59 percent), commodities prices (56 percent), consumer spending (56 percent) and interest rates (55 percent).

- Compared to their non-Hispanic peers, Hispanic entrepreneurs expressed notably greater concern around commodities prices (56 percent of Hispanic entrepreneurs vs. 43 percent of non-Hispanic), credit availability (50 percent of Hispanic vs. 36 percent of non-Hispanic) and climate change (45 percent vs. 34 percent).

Hispanic business owners cite lack of resources, lack of expertise and access to capital as top barriers.

A sizeable majority of Hispanic entrepreneurs (72 percent) report that efforts to grow their business face distinct challenges, citing lack of resources (21 percent), lack of expertise in back office management (21 percent) and challenges accessing capital (20 percent) as the top three barriers.

For an in-depth look at the insights of the nation's Hispanic small business owners, read the full **Bank of America Business Advantage 2020 Hispanic Business Owner Spotlight**.

Providing a business advantage to small business owners

Bank of America provides advice, solutions, access to capital and dedicated support to meet the unique needs of our 12 million small business owner clients. We originated \$9.2 billion in new loans to small business clients in 2019, up 7 percent from 2018. According to the FDIC, Bank of America also maintained its position as the nation's top small business lender at the end of the third quarter of 2019, with \$37.6 billion in total outstanding small business loans (defined as business loans in original amounts of \$1 million and under), up 8 percent year over year. In 2019, Bank of America booked more than 339,000 low- and moderate-income (LMI) loans totaling \$6.3 billion, which was more than half of the company's total small business lending. We are a top lender in the SBA's 504 and 7(a) programs, and a leading investor in community development financial institutions (CDFIs) – with a portfolio of nearly \$1.6 billion invested across the U.S., of which nearly \$400 million is invested in CDFIs focused on U.S. small businesses.

Serving the Hispanic-Latino community

Bank of America is proud of its long-standing commitment to creating a diverse and inclusive environment for our employees and supporting diverse customers, communities and businesses around the world. We currently serve 9.5 million Hispanic-Latino clients, and more than 1 million Hispanic-Latino business owners. By the end of 2019, Bank of America had more 2 million users on its Spanish language mobile app, growing by more than 20 percent year-over-year. Additionally, nearly two-thirds of Bank of America financial centers are staffed by employees with bilingual capabilities, and more than 4,000 multi-lingual teammates staff our financial centers located in LMI areas.

Bank of America Business Advantage 2020 Hispanic Business Owner Spotlight

Ipsos conducted the Bank of America Hispanic Business Owner Spotlight survey online between July 19 and September 6, 2019, using a pre-recruited online sample of Hispanic and Non-Hispanic small business owners. Ipsos contacted a national sample of 1,323 small business owners in the United States with annual revenue between \$100,000 and \$4,999,999 and employing between two and 99 employees, and conducted 428 interviews among Hispanic small business owners. The final results were weighted to national benchmark standards for size, revenue, and region, and, for the Hispanic segment, whether the respondents were primarily English-speaking or Spanish-speaking.

Bank of America

Bank of America is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk management products and services. The company provides unmatched convenience in the United States, serving approximately 66 million consumer and small business clients with approximately 4,300 retail financial centers, including approximately 2,800 lending

centers, 2,600 financial centers with a Consumer Investment Financial Solutions Advisor and 2,000 business centers; approximately 16,800 ATMs; and award winning digital banking with approximately 38 million active users, including approximately 29 million mobile users. Bank of America is a global leader in wealth management, corporate and investment banking and trading across a broad range of asset classes, serving corporations, governments, institutions and individuals around the world. Bank of America offers industry-leading support to approximately 3 million small business owners through a suite of innovative, easy-to-use online products and services. The company serves clients through operations across the United States, its territories and approximately 35 countries. Bank of America Corporation stock (NYSE: BAC) is listed on the New York Stock Exchange.

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