The purpose of this paper is to use microdata from Census 2000 to investigate the determinants of the earnings of prime-age Hispanic men living in metropolitan areas, both natives and immigrants. The standard human capital model can account for only a small portion of the earnings differential between Hispanics and non-Hispanics, whether native or immigrant. We then undertake a detailed study of the effect of Hispanic enclaves on Hispanic earnings. Our results are consistent with the hypothesis that linguistic concentrations are associated with lower earnings for immigrants, and for native Hispanics as well. However, we also find evidence that Hispanic earnings are often higher in metropolitan areas with greater residential segregation of Hispanics, especially if linguistic concentration is controlled.