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**AMIDST INCREASED SPECULATION OVER MARKET DIRECTION,
EXPERIENCED INVESTORS GET HANDS-ON**

*Experienced investors advocate more conservative assets;
E*TRADE offers tips for executing*

NEW YORK, May 1, 2014 – E*TRADE Financial Corporation (NASDAQ: ETFC) today announced results from the most recent wave of *StreetWise*, E*TRADE’s quarterly tracking study of experienced self-directed investors. The data suggests that these investors have grown more conservative over the last quarter and advocate diversification.

Bearish sentiment grew six percent, to 40 percent of the total population. There is more uncertainty about market direction than last quarter: when asked which of seven movie titles best describes how they feel about the market, the top choice was tied between *Dazed and Confused* (21 percent) and *Easy Rider* (20 percent). *Easy Rider* was previously first choice, down five percent this quarter. When choosing investments, fewer suggest individual stocks (66 percent, down six percent) and Exchange-Traded Funds (“ETFs”) (36 percent, down seven percent) — and have shifted towards fixed income mutual funds, bonds, CDs and commodities.

“For long-term investors, it’s important during periods of uncertainty to make sure you have a plan and you’re sticking to it,” said Lena Haas, SVP, Retirement, Investing and Saving at E*TRADE Financial. “Reacting to the market can lead to emotional decision-making. Make sure any adjustment you make supports a well-diversified portfolio that aligns with your objective, time frame and risk tolerance.” Haas also offered the following tips for those investors considering more conservative assets:

- Make sure one type of risk isn’t being replaced for another. While inflation is low today, it still slowly eats into the purchasing power of your assets. Low current yields on fixed income offer little returns that won’t necessarily cushion against an uptick in inflation.
- When considering bonds, diversification by maturity and duration is key.
- Conservative investments can also be found in equities themselves by focusing on those that pay dividends and are in historically defensive sectors — these can be less volatile than the broader market during pull backs.
- Allocation-based funds such as balanced and target date investments are also attractive because they systematically take care of ongoing rebalancing for you.

(more)

Several data points also suggest that experienced investors are taking a markedly hands-on approach:

- Three out of five (59 percent) evaluate their portfolio weekly.
- Over one third manage their account with a mobile device (30 percent use smart phones; 32 percent use tablets).
- 92 percent advise “keeping a watchful eye” on your portfolio — more than any other piece of advice.

“Investors want constant access to their portfolios — the volatility over the past several years has been a big wake-up call that they should keep a watchful eye,” said John Matos, who oversees E*TRADE's digital channels. “Technology has advanced to where investors can do so much more on a mobile device. Our mobile app delivers research, earnings reporters, charting tools, and other resources for investors who demand comprehensive oversight over their investments.”

E*TRADE is a partner in helping investors balance today's needs with tomorrow's goals, through access to curated content and insights with actionable tools — complemented by professional guidance — online and from seasoned financial consultants. To learn more about E*TRADE's trading platforms and tools, visit etrade.com.

For useful insight from E*TRADE and third-party investment experts, follow the Company on Twitter, [@ETRADE](https://twitter.com/ETRADE).

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About the Survey

This wave of survey was conducted from March 28 to April 1 of 2014 among an online U.S. sample 900 self-directed active investors who manage at least \$10,000 in an online brokerage account. The survey has a margin of error of ± 3.3 percent at the 95 percent confidence level. It was fielded and administered by ResearchNow. The panel is 61 percent male and 39 percent female with an even distribution across online brokerages, geographic regions and age bands.

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