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**AMIDST GLOBAL TURMOIL, YOUNGER INVESTORS SEE OPPORTUNITY
IN EMERGING MARKETS**



E*TRADE®

YOUNGER INVESTORS ARE
THREE TIMES
MORE INTERESTED IN EMERGING MARKETS
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THAN BOOMERS

Views on international investing vary dramatically by age

NEW YORK, February 26, 2015 — E*TRADE Financial Corporation (NASDAQ: ETFC) today announced results from the most recent wave of *StreetWise*, E*TRADE's quarterly tracking study of experienced investors. Results show a wide opinion gap between investors age 25 to 34 vs. those over 55 when it comes to international investing:

- **More interested:** Three times more interested when it comes to investing in companies in emerging markets.
- **More likely to have taken action:** Nearly three times more likely to have increased their portfolio exposure to emerging markets.
- **More likely to think the time is right to increase their exposure:** Four times more likely to believe that the health of markets outside the U.S. makes for good conditions to invest abroad today.

The disparity of opinion even extends to vacation: 57 percent of investors age 25 to 34 agree that the value of foreign currencies relative to the U.S. dollar makes them more likely to travel abroad this year, compared to only 33 percent of investors over 55.

“Conventional wisdom on the health of international markets remains fairly gloomy,” said Lena Haas, SVP of Retirement, Investing and Savings at E*TRADE Financial. “At the same time, U.S.

equities account for less than half of all the equities in the world and there are myriad opportunities for investors who want to act independently of the crowd.”

For those investors interested in finding the right international investments, Ms. Haas offered the following:

- **Modify expectations:** Emerging markets can lack basic elements that many take for granted in developed markets, and these markets can be more easily affected by forces political, economic, social or otherwise. For instance, an emerging market may lack the infrastructure required to support companies and businesses entering the region, which could mean a much longer time period to realize returns.
- **Stay current with the news and politics:** Not only can emerging markets be sensitive, but they also tend to move quickly relative to developed markets. It is imperative to stay up-to-date with local and regional developments in order to best manage exposure and make informed investment decisions.
- **Diversify across and within:** Diversifying across markets and within various products and/or asset classes will help reduce risk. Fortunately, today there are many mutual funds and ETFs that offer a high level of diversification, streamlining the investing process and eliminating the need to identify all the various regions, markets and asset classes yourself.
- **Keep a focus on long-term goals:** Consider a core-satellite investing approach wherein a portion — usually 10 to 40 percent — of a portfolio is devoted to specific sectors like emerging markets, keeping the remainder of the portfolio well-diversified across sectors and assets, mapped to investing objectives, time frame and risk tolerance. This can help take advantage of timely opportunities while still managing risk and remaining aligned with long-term goals.

E*TRADE empowers smart investing by balancing 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 and investing platforms and tools, visit etrade.com.

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

About E*TRADE Financial

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About the Survey

This wave of the survey was conducted from January 8 to January 16 of 2015 among an online U.S. sample of 945 self-directed active investors who manage at least \$10,000 in an online brokerage account. The survey has a margin of error of ± 3.2 percent at the 95 percent confidence level. It was fielded and administered by ResearchNow. The panel is 65 percent male and 35 percent female with an even distribution across online brokerages, geographic regions and age bands.

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