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**E*TRADE STUDY REVEALS THE RETIREMENT HOPES AND DREAMS
OF INVESTORS UNDER 30**



Three out of four
young investors are
planning to retire by
the age of 64

E*TRADE

Despite rent, student loans, and early withdrawals from their retirement accounts, investors under 30 feel confident they will enjoy the retirement they want

NEW YORK, June 27, 2017 — 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 how investors under 30 feel about, and plan for, retirement.

1. **They believe they will retire relatively young.** Three out of four (76 percent) plan to retire by the age of 64. And nearly nine out of ten (85 percent) are confident they are saving enough to enjoy the retirement they want.
2. **It's a primary focus of their savings.** For almost half (45 percent), retirement is the top priority for long-term saving—even more so than saving for a big purchase or home.
3. **And it shows in their salary contributions.** Nearly nine out of ten (86 percent) allocate more than 5 percent of their salary to a retirement account.
4. **But housing costs and student loans get in the way.** Roughly two-thirds feel that housing costs (69 percent), student loans (66 percent), and other educational expenses (63 percent) are barriers to saving for retirement.
5. **They're dipping in early.** Slightly more than half (54 percent) have already dipped into their retirement accounts. Of those who've made an early withdrawal from their retirement account, nearly three quarters (74 percent) later regret doing so.

"It is great to see young investors focused on their retirement goals and beginning to save early, as the power of compounding returns is significant for this group," commented Mike

Loewengart, VP of Investment Strategy at E*TRADE Financial. “Developing good saving and investing habits earlier in life will only benefit their long-term investing plans.”

Mr. Loewengart offered a few steps young investors may consider to help reach their retirement savings goals:

- **Follow a savings code.** The biggest factor to pursuing retirement goals—hands down—is being disciplined about contributions. Younger investors should consider increasing their contribution as their salary grows as it’s much harder to scale back income after getting used to a bigger paycheck.
- **Work the match.** If your employer offers a contribution match to your 401(k), this is as close to free money as one will ever come by in the investing world. It is probably the easiest way to seriously kick start long-term investing.
- **Mix it up.** Asset location—the idea of strategically deploying investments across taxable and nontaxable accounts—can go a long way towards ensuring your portfolios are optimized for long-term tax efficiency. When you maintain accounts with different tax profiles, such as taxable brokerage accounts, tax-deferred 401(k)s, and Roth IRAs, you may have more tax flexibility later in life.
- **Keep your eyes on the prize.** Building and maintaining a well-diversified, risk-appropriate portfolio for the long term is one of the best ways to stay on track to achieving retirement goals. Try to avoid emotional investing pitfalls—like timing the market—by focusing on the long term and sticking to your plan.

E*TRADE aims to enhance the financial independence of traders and investors through a powerful digital offering and professional guidance. To learn more about E*TRADE’s trading and investing platforms and tools, visit etrade.com.

For useful trading and investing insights from E*TRADE, follow the company on Twitter, [@ETRADE](https://twitter.com/ETRADE).

About the Survey

This wave of the survey was conducted from April 1 to April 10 of 2017 among an online U.S. sample of 958 self-directed active investors who manage at least \$10,000 in an online brokerage account. The survey has a margin of error of ± 3.18 percent at the 95 percent confidence level. It was fielded and administered by Research Now. The panel is broken into thirds of active (trade more than once a week), swing (trade less than once a week but more than once a month), and passive (trade less than once a month). The panel is 60 percent male and 40 percent female with an even distribution across online brokerages, geographic regions, and age bands.

“Young investor” is defined by surveyed investors between the ages of 18–29. This group represents a sample size of 164 respondents within the total population.

Referenced Data

<i>At what age do you plan to retire from the career you have now?</i>	
	TOTAL Under 30
Before age 45	7%
45–54	18%

55–64	51%
65–74	22%
75+	1%
I will never be able to retire	1%

<i>How confident are you that you are currently saving enough to enjoy the retirement that you want?</i>	
	TOTAL Under 30
TOP TWO BOX	85%
Very confident	37%
Somewhat confident	48%
Somewhat unconfident	15%
Very unconfident	0%
BOTTOM TWO BOX	15%

<i>What are the main reasons you are saving for the long term? (Select top three choices)</i>	
	TOTAL Under 30
For retirement	45%
For an unknown emergency	41%
For a big purchase such as a car or new home	30%
To pay for an education	24%
For vacation or entertainment	24%
Simply because it's the right thing to do	23%
To take care of a parent or other older relative	22%
To get rich	20%
I am not saving for the long term, just playing the stock market	3%

<i>What percent of your salary are you currently allocating to a retirement account?</i>	
	TOTAL Under 30
0%	1%
1–5%	13%
6–10%	42%
11–16%	27%
17–22%	9%
>23%	8%

When it comes to saving for retirement, how much of a barrier is each of the following?
[TOP TWO BOX of “Significant barrier/Somewhat of a barrier”]

	TOTAL Under 30
Rent or mortgage	69%
Paying down student loans	66%
Education costs	63%
Health care costs	57%
Day-to-day living expenses like food or utilities	56%
Wanting to live for today	51%
Having a parent move in with you	49%
Childcare	45%
Having an older child move back in with you	42%

<i>Have you ever taken out money from an IRA or 401(k) before the age of 59.5 and, if so, for what?</i>	
	TOTAL Under 30
No, I have never taken out money from an IRA or 401(k) before the age of 59.5	46%
Yes (Net)	54%
Yes, for a medical emergency	20%
Yes, to pay for education	19%
Yes, because I became unemployed	18%
Yes, to make a large purchase	16%
Yes, to simply spend on myself or my family	11%
Yes, to spend on a vacation	2%
Yes, other	0%

<i>Have you ever regretted your decision to take money from an IRA or 401(k) before the age of 59.5?</i>	
	TOTAL Under 30
Top 2 Box	74%
Very much regretted	24%
Somewhat regretted	50%
Regretted a little bit	18%
Did not regret at all	8%
Bottom 2 Box	26%

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