



E*TRADE FINANCIAL Q3 2021 STREETWISE REPORT

Insights from the E*TRADE quarterly tracking study of ~900 experienced investors

Public

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Q3 2021 survey methodology and background

Methodology

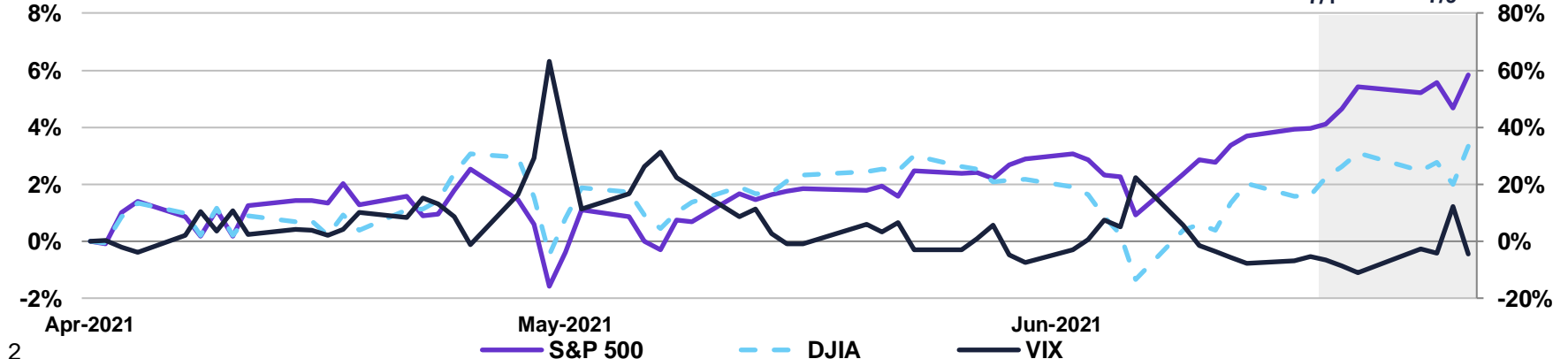
This wave of the survey was conducted from July 1 to July 9 of 2021, among an online US sample of 898 self-directed active investors who manage at least \$10,000 in an online brokerage account. The survey has a margin of error of ± 3.20 percent at the 95 percent confidence level. It was fielded and administered by Dynata. 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% male and 40% female, with an even distribution across online brokerages, geographic regions, and age bands.

This study looks into the minds and behaviors of self-identified experienced investors

- They self-select as having moderate to professional investing experience
- They take charge of their investments
- They believe they understand the markets, investment products, and asset classes

Q3 2021 survey timing mapped against major market indexes

S&P 500®/DJIA



SENTIMENT

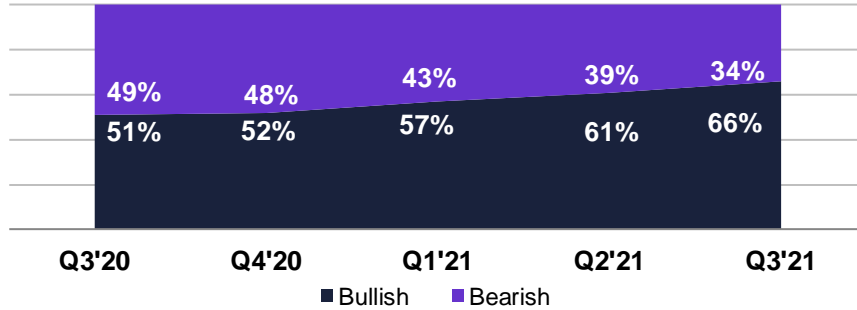
VIEWS ON THE MARKET AND WHERE
OPPORTUNITIES LIE



Views on the market

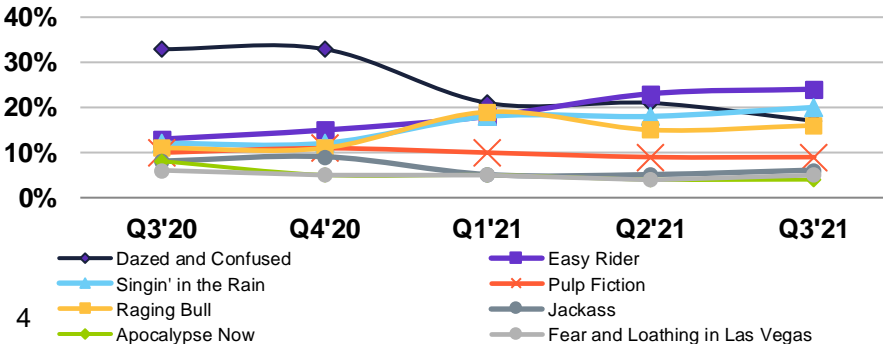
Bullishness hits a high

When it comes to the current market, are you...?



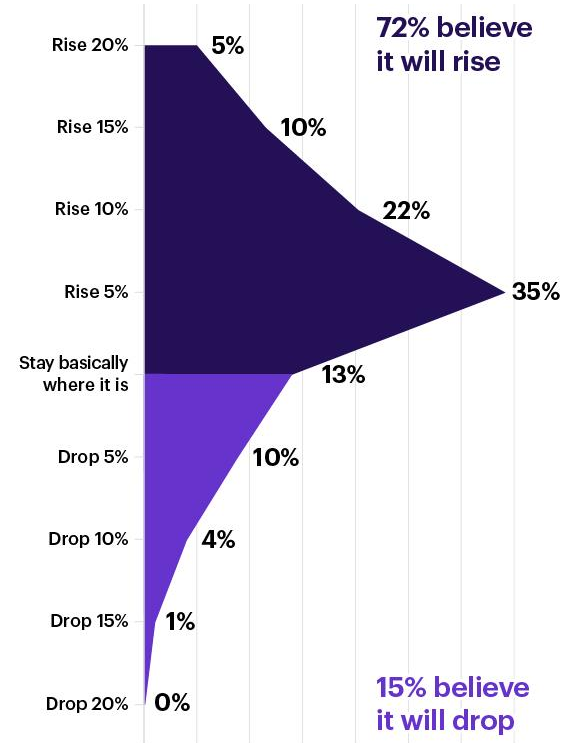
"Dazed and Confused" ticked down this quarter

If you had to pick a movie title that best describes how you personally feel about the market this quarter, which would it be?



Most believe the market will rise this quarter

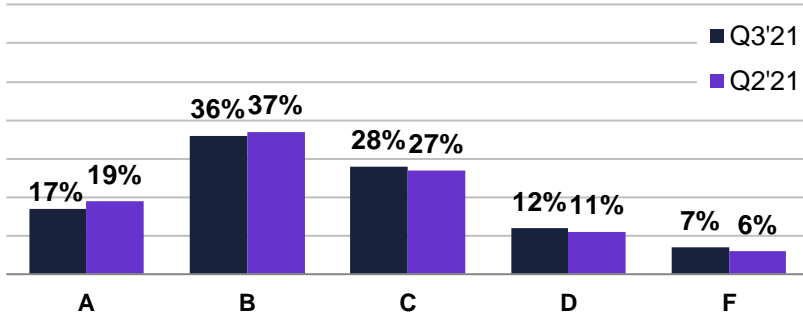
Where do you predict the market will end this quarter?



Views on the economy and rates

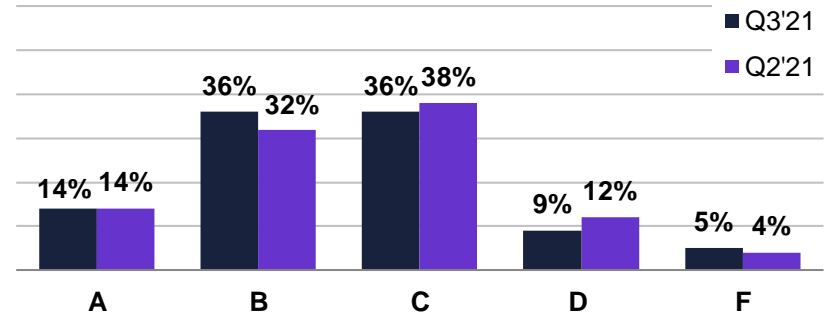
Most would grade the Fed a B or C again

What grade would you give the Fed for how it is handling the economic recovery?



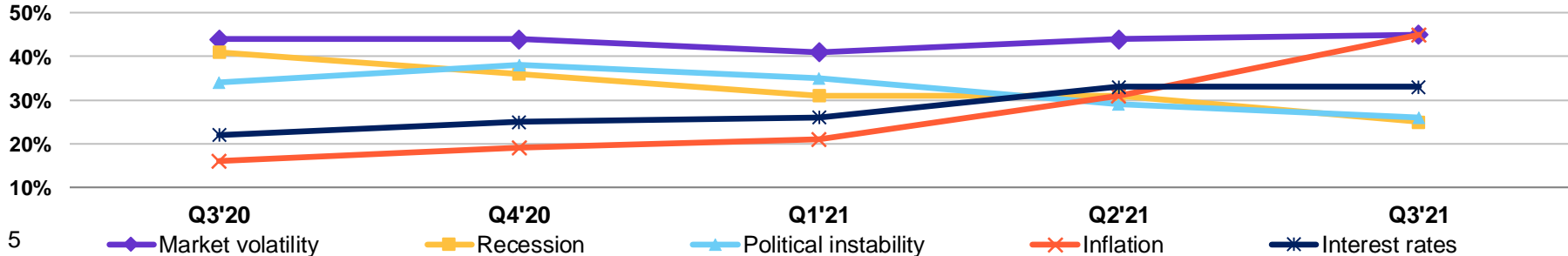
Most would grade the economy a B or C

What grade would you give the current state of the US economy?



Inflation concerns significantly ticked up

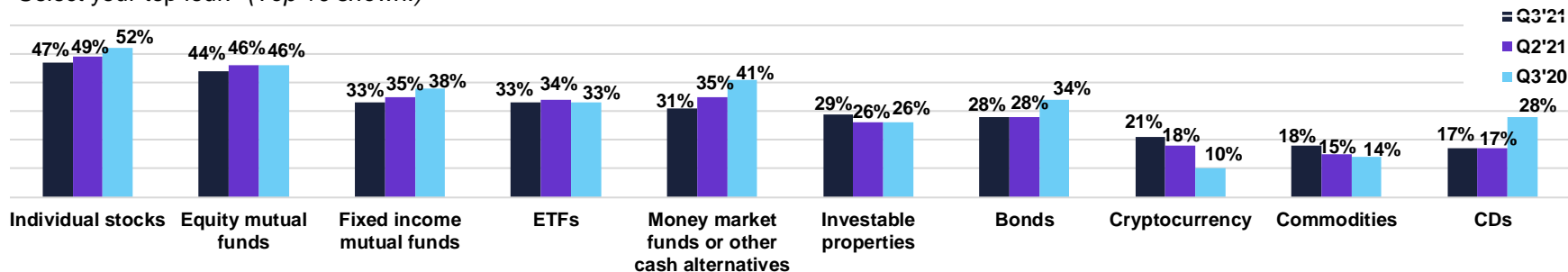
What risks are you actively managing right now when it comes to your portfolio?



Asset class interest

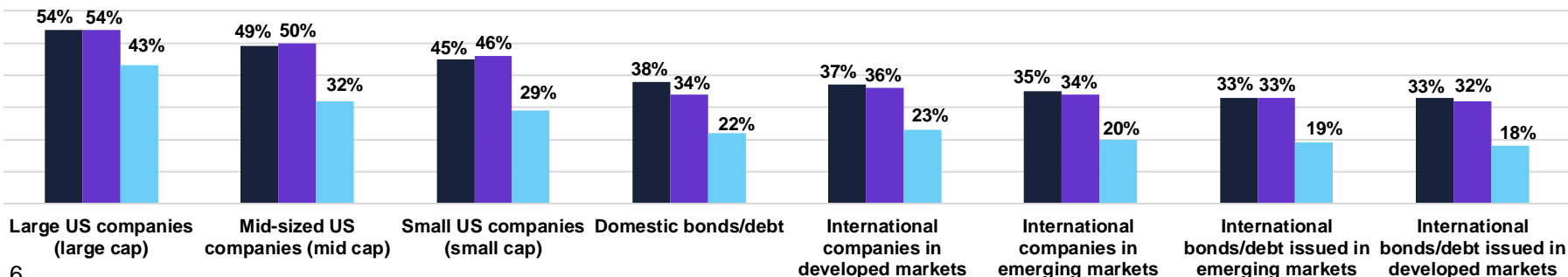
Interest in individual stocks remains high

If you could give one piece of advice to a friend or family member who is thinking of investing right now, would it be to get into...
Select your top four.¹ (Top 10 shown.)



Large caps remain in favor

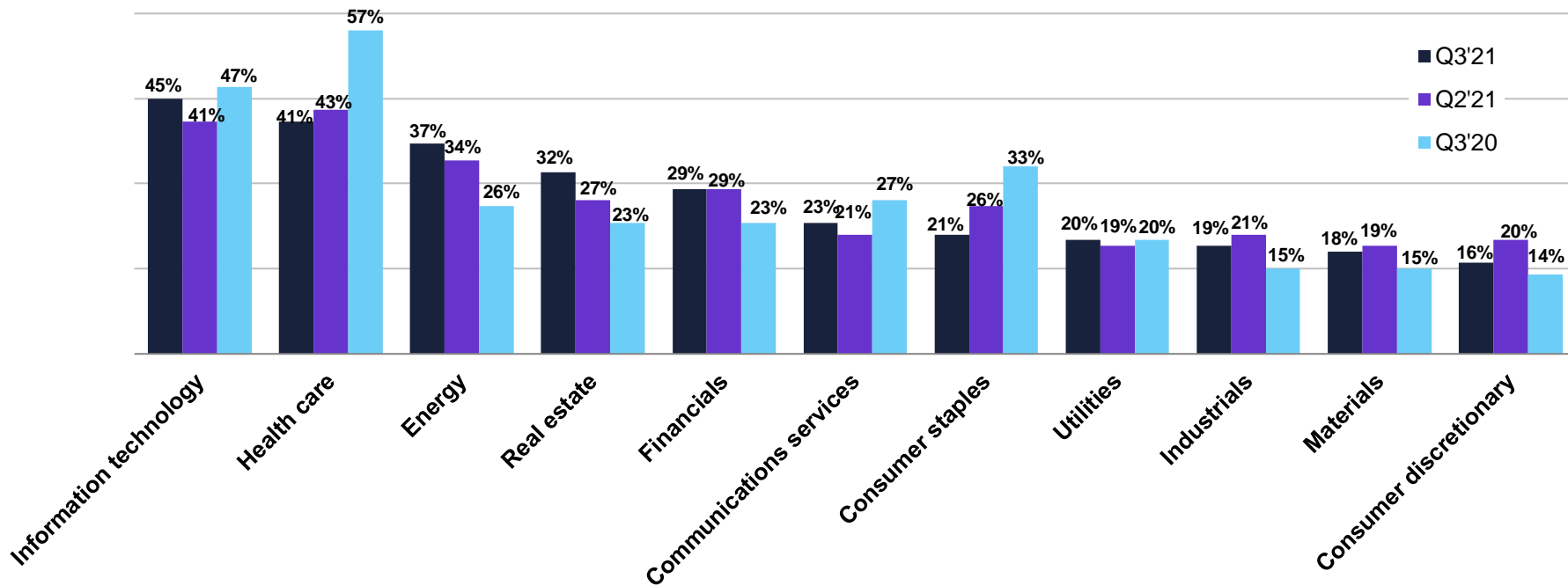
How interested/comfortable are you with investing in each of the following sectors this quarter?¹ (% Very/extremely interested; base=all)



US sector interest

Interest in energy, real estate, and information technology ticked up this quarter

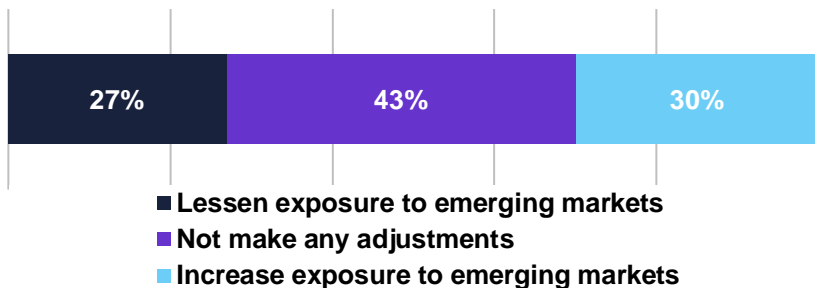
What industries do you think offer the most potential this quarter? Select your top three.¹ (Top 10 shown.)



International and emerging market interest

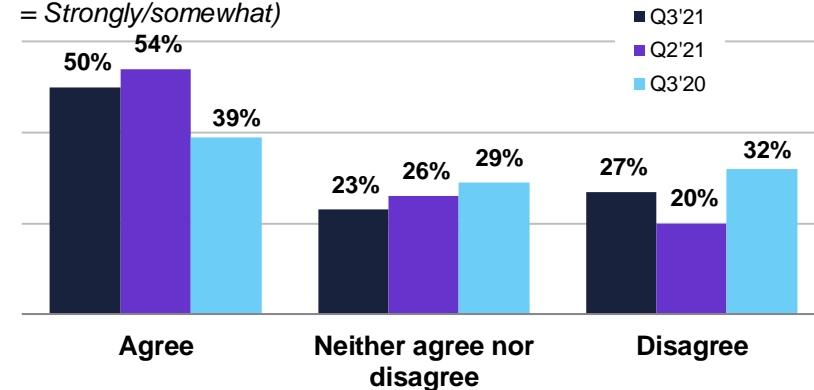
Some investors divided over EM exposure

Thinking about your investment approach specific to emerging markets, which of the following adjustments do you plan to make over the next quarter?



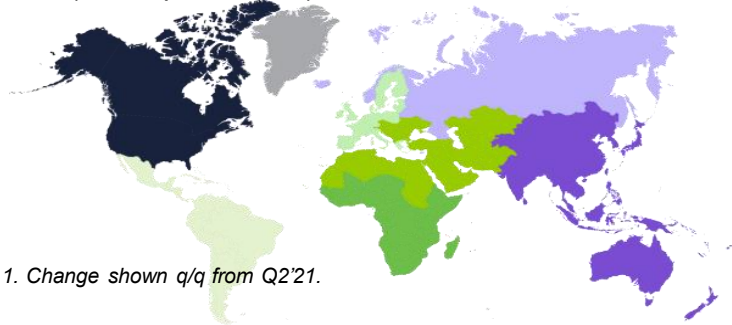
Interest in markets outside the US decreased slightly

Markets outside the US appeal to me as an investor this quarter. (% = Strongly/somewhat)



Interest in EU and the US increased

Which regions do you think offer the greatest investment potential this quarter?¹ (% = Top two boxes)



	% Interested	Q/Q Δ
United States and Canada	79%	+3%
European Union	40%	+12%
Asia and Pacific	29%	(6%)
Central, Eastern, and Southeastern Europe (including Russia)	14%	(2%)
Middle East and Central Asia Region (including North Africa)	13%	(1%)
Latin America and the Caribbean	9%	(3%)
Sub-Saharan Africa	5%	(1%)

PORTFOLIO MANAGEMENT

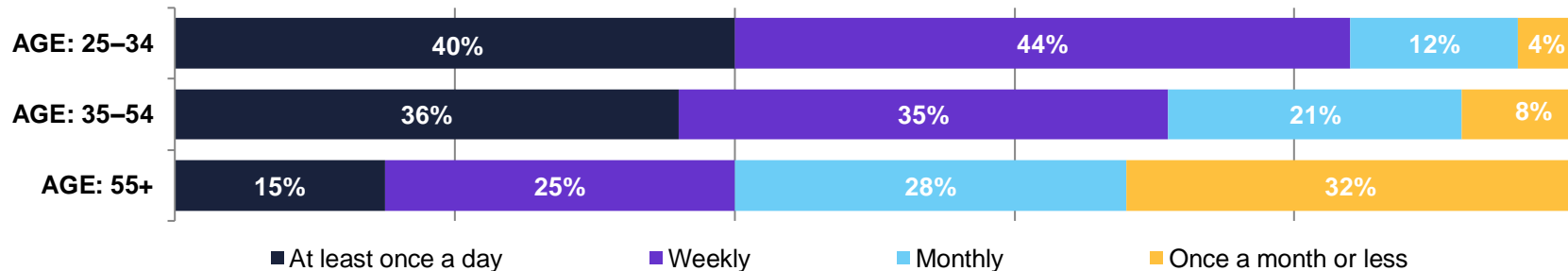
A LOOK AT HOW DIFFERENT AGE GROUPS MANAGE THEIR
INVESTMENTS



Millennial, Gen X, and Baby Boomer portfolio management

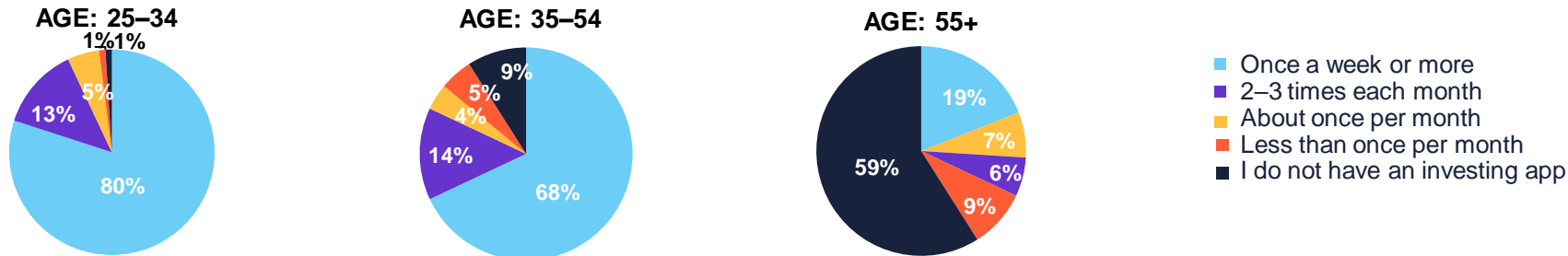
Two out of five Millennials check their portfolio at least once a day

How often do you check the positions in your portfolio?



Four out of five Millennials use an investing app once a week or more

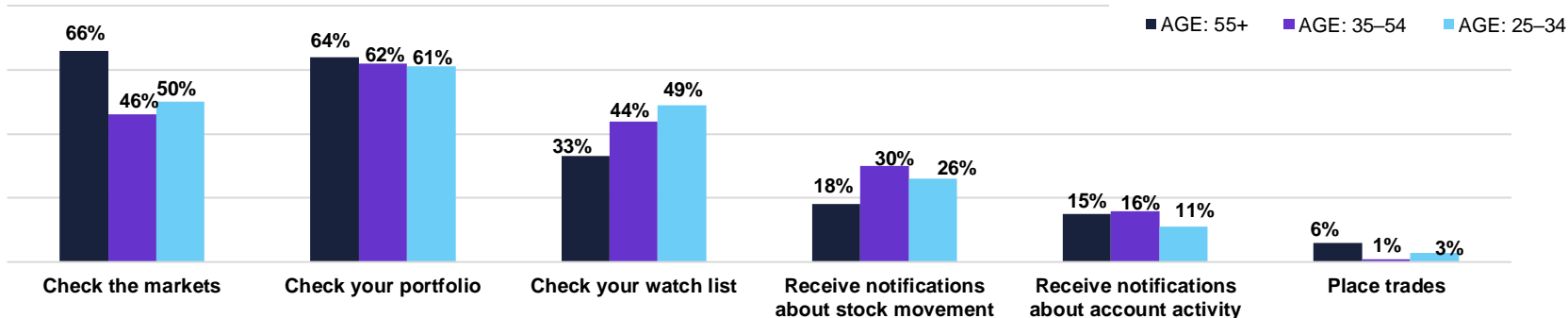
Approximately how often do you use an investing and trading app on your smartphone?



Millennial, Gen X, and Baby Boomer portfolio management

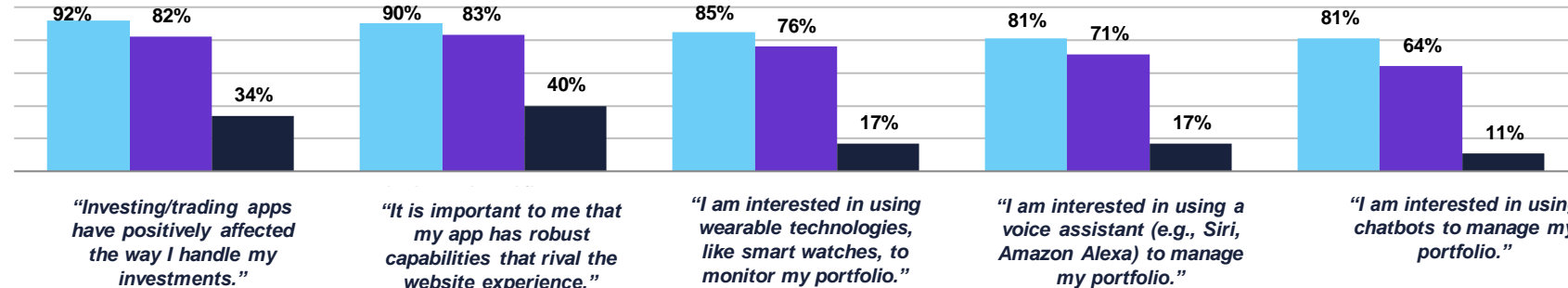
Two out of three Baby Boomers would use a voice assistant to check the markets

Which of the following would you be most likely to use a voice assistant (e.g., Siri, Amazon Alexa) to do when it comes to investing and trading? (Select top two.)



Nearly all Millennials say investing/trading apps have positively affected the way they handle investments

To what extent do you agree or disagree with the following statements... (% = Strongly/Somewhat agree)



VIEWS ON RETIREMENT

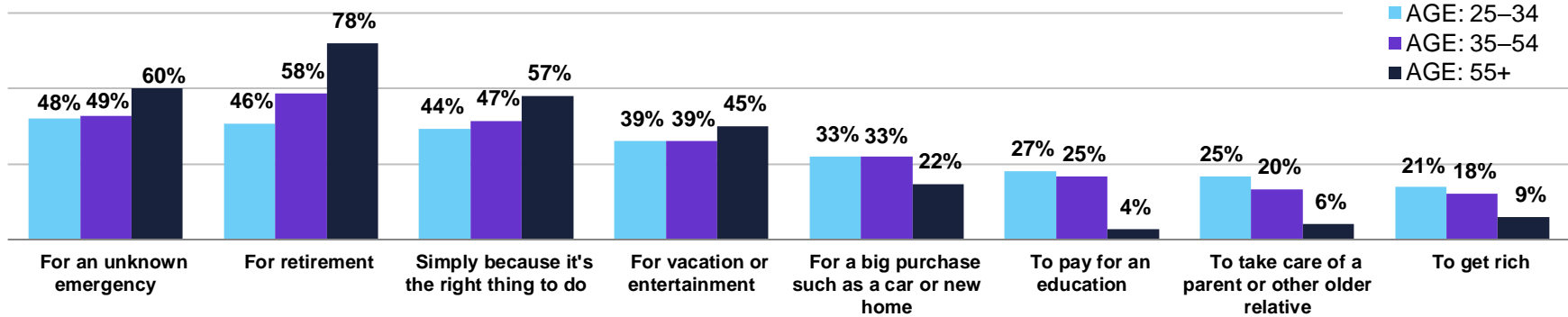
HOW EXPERIENCED INVESTORS THINK
ABOUT RETIREMENT INVESTING



Retirement investing among Millennials, Gen X, and Baby Boomers

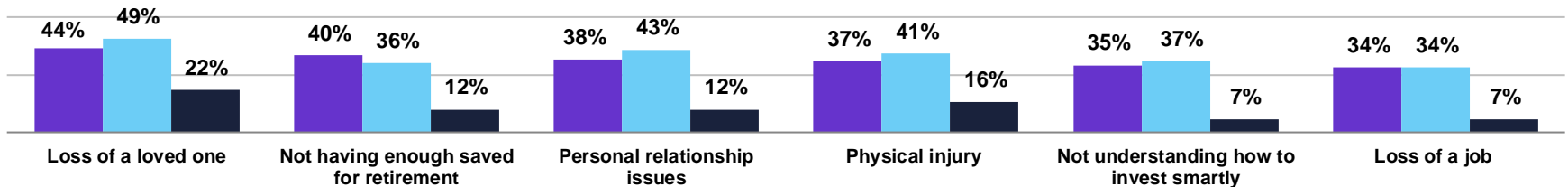
Saving for an unknown emergency and retirement are top priorities for all generations

What are the main reasons you are saving for the long term? (% = Selected as a top three choice.)



Gen X investors worry that they have not saved enough for retirement

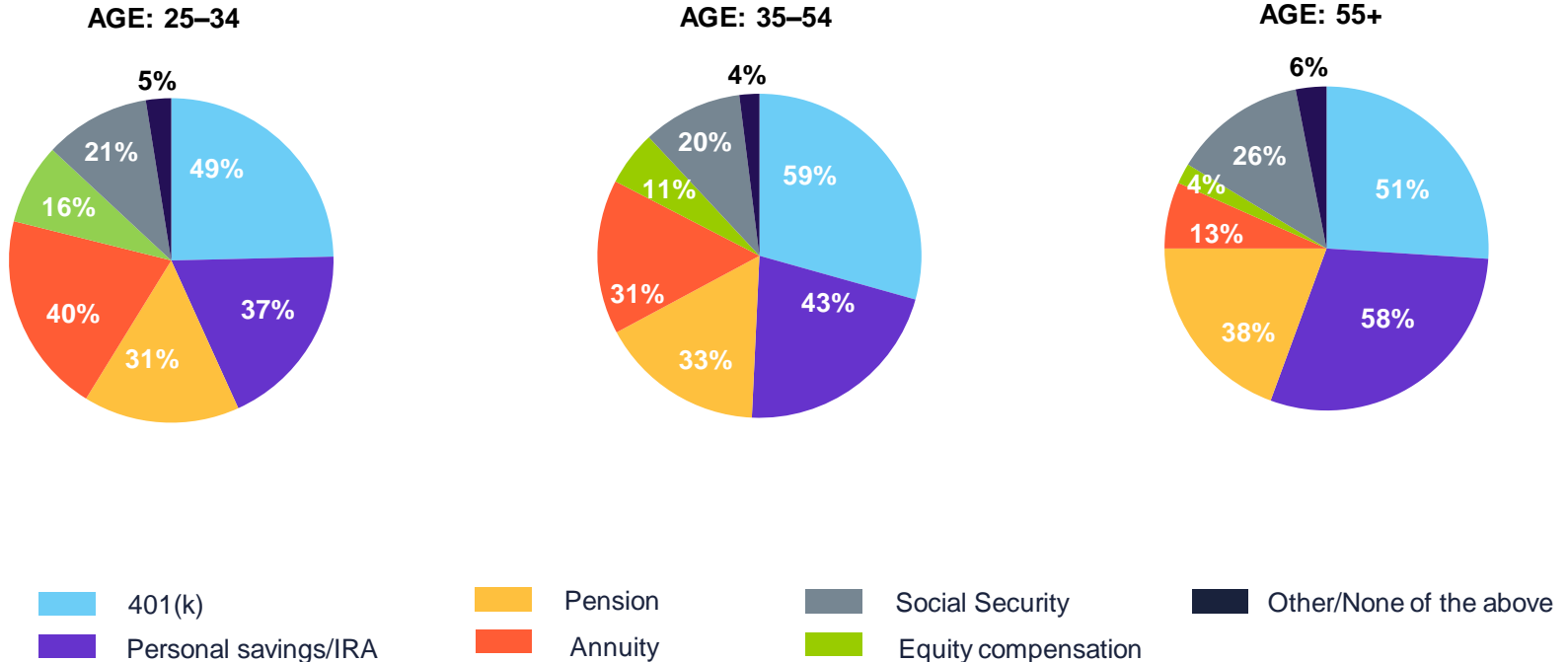
How often do you worry about each of the following? (% = Always/frequently)



Retirement investing among Millennials, Gen X, and Baby Boomers

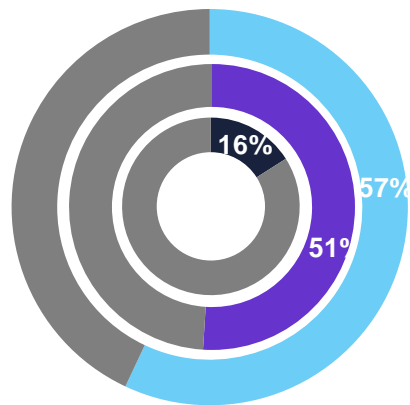
Millennials and Gen X rely most on 401(k)s when it comes to retirement

Please rank in order how important each of the following are in meeting your goal for retirement, with one being the most important.
(% = Selected as most important)



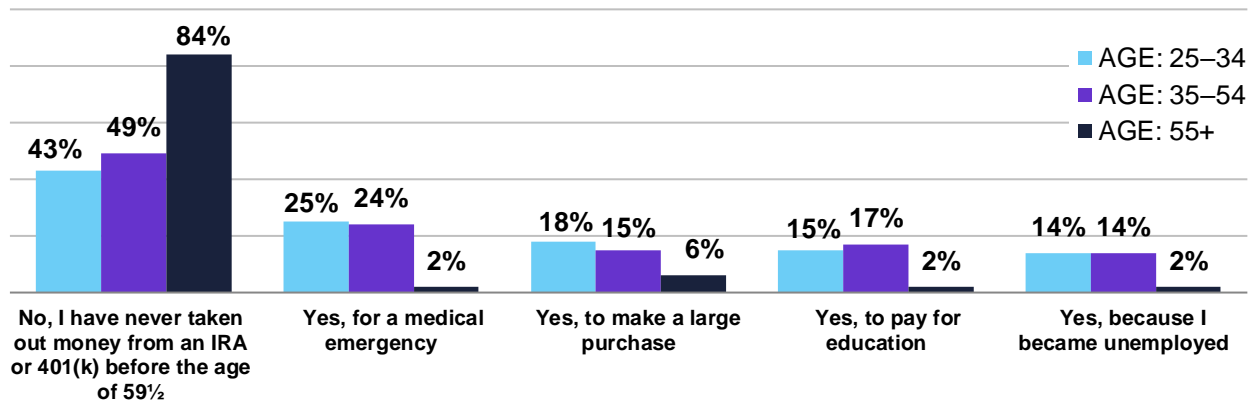
Retirement investing among Millennials, Gen X, and Baby Boomers

Despite their reliance on retirement accounts, more than half of Millennials made an early withdrawal



Percentage who have taken out money from an IRA or 401(k) before the age of 59½

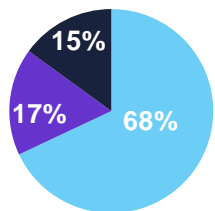
Have you ever taken out money from an IRA or 401(k) before the age of 59½ and, if so, for what? (Select all that apply.)



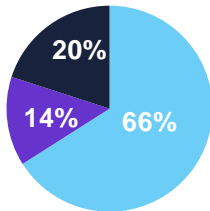
Over two out of three Millennials regretted their decision to take early retirement withdrawals

Have you ever regretted your decision to take money from an IRA or 401(k) before the age of 59½?

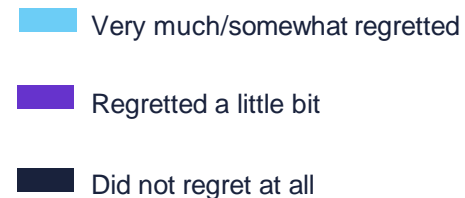
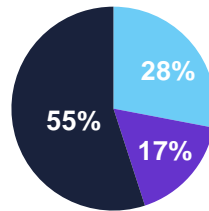
AGE: 25-34



AGE: 35-54



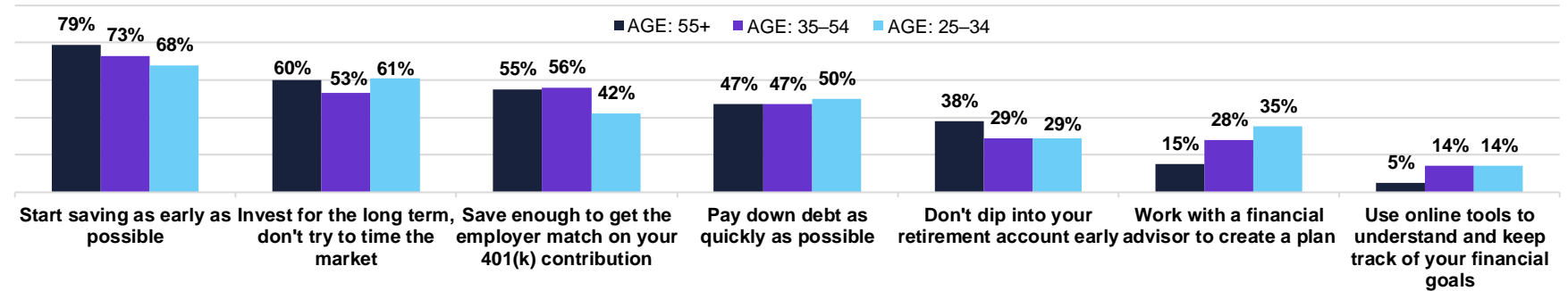
AGE: 55+



Retirement investing among Millennials, Gen X, and Baby Boomers

The majority of all generations recommend to start saving as early as possible

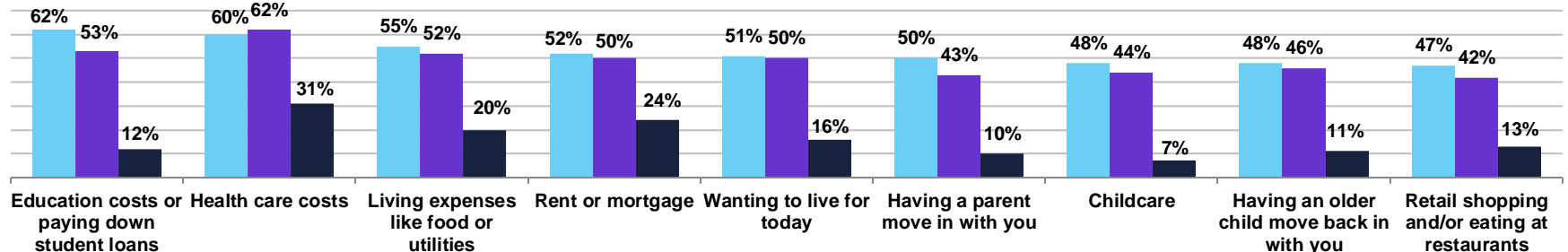
If you could offer a younger investor financial advice, what would it be? (Select top three)



Millennials cite several roadblocks to retirement savings, with education costs topping the list

When it comes to saving what you want for retirement, how much of a barrier is each of the following?

(% = Significant/somewhat of a barrier)



Please read the important disclosures below

This presentation presents data from July 1–July 9, 2021.

The data from this and past quarters reflects the opinions of this population only from the time of fielding, which is typically the first two weeks of each quarter. It does not represent opinions of the full quarter.

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Past performance is no guarantee of future returns. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Dow Jones Industrial Average: Computed by summing the prices of the stocks of 30 companies and then dividing that total by an adjusted value—one which has been adjusted over the years to account for the effects of stock splits on the prices of the 30 companies. Dividends are reinvested to reflect the actual performance of the underlying securities.

S&P 500® Index is a market capitalization-weighted index of 500 widely held stocks often used as a proxy for the US stock market.

All components of the S&P 500 are assigned to at least one of eleven S&P Select Sector Indexes, which track major economic segments and are highly liquid benchmarks. Stock classifications are based on the Global Industry Classification Standard. The Select Sector Indexes are: Communication Services Select Sector, Consumer Discretionary Select Sector; Consumer Staples Select Sector; Energy Select Sector; Financials Select Sector; Health Care Select Sector; Industrials Select Sector; Materials Select Sector, Real Estate Select Sector, Technology Select Sector; and Utilities Select Sector.

VIX® is the ticker symbol for Cboe Volatility Index®. The index, also called the fear index, is calculated by Cboe and generally measures expected volatility of the US market in the next 30 days. The higher the number, the more bearish the market is in general. The VIX is used to calculate the put/call ratio.

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