

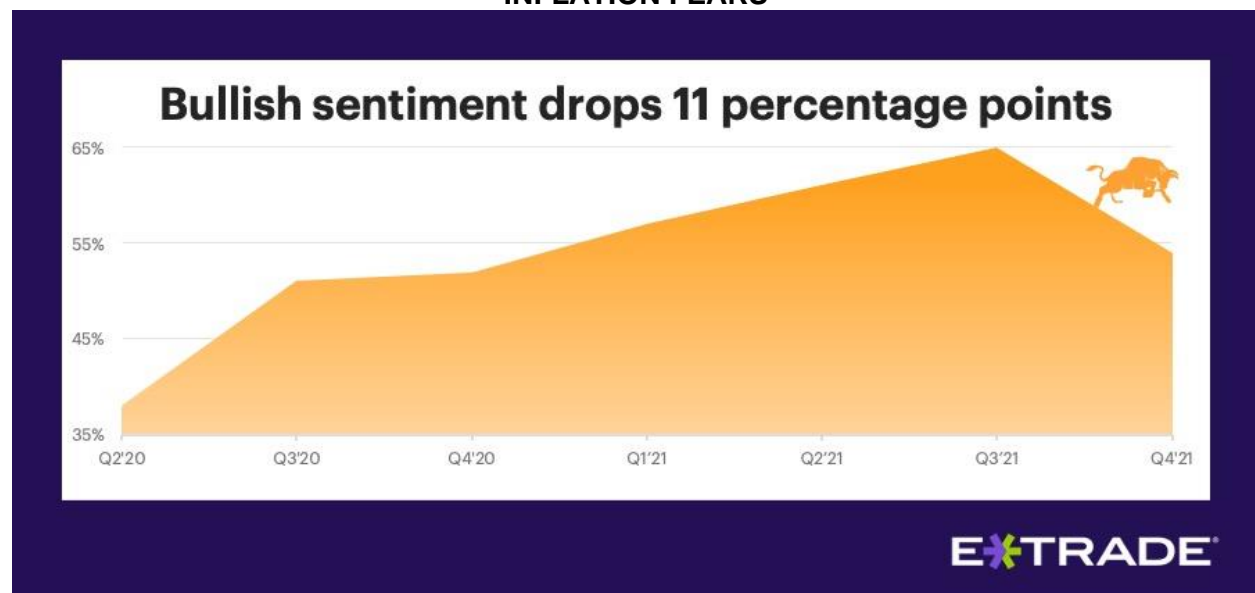
FOR IMMEDIATE RELEASE

E*TRADE Media Relations

646-521-4418

mediainq@etrade.com

E*TRADE STUDY REVEALS BULLISH SENTIMENT DROPS SIGNIFICANTLY AMID INFLATION FEARS



Bullishness decreased for the first time since March 2020

ARLINGTON, Va., October 18, 2021 — E*TRADE Financial Holdings, LLC today announced results from the most recent wave of StreetWise, the E*TRADE quarterly tracking study of experienced investors. Results reveal cracks in investors' pandemic-era bullishness:

- **Bullish sentiment dips.** For the first time since the onset of the pandemic, bullish sentiment decreased—down 11 percentage points to 54%. And investors are significantly less likely to think the market will end in the green this quarter, down 14 percentage points from last quarter to 58%.
- **Investors are feeling more “Dazed and Confused”.** Investors chose “Dazed and Confused” as the number one movie title to describe their attitude toward the market, rising 10 percentage points from Q3 and taking the place of “Easy Rider,” which ticked down 3 percentage points.
- **Most continue to think volatility will rise.** Two out of three (66%) investors think that volatility will rise over the next quarter, up 2 percentage points from last quarter.
- **And inflation concerns loom large.** Over half of investors (52%) are most concerned about inflation when it comes to portfolio risks, followed by market volatility (41%).

“Investors are facing several headwinds when it comes to their portfolios, so it’s not too surprising to see bullishness take a big hit,” said Mike Loewengart, Managing Director of Investment Strategy at E*TRADE Financial. “Many are questioning if inflation is here to stay, supply constraints have weighed heavily on purchasing power, and slowing growth prospects

seem to be more of a reality. But investors should keep in mind that volatility is part of a healthy market and preparing for pullbacks is key.”

The survey explored investor views on sector opportunities for the fourth quarter of 2021:

- **Energy.** With crude oil prices rising to 7-year highs thanks to high demand from re-openings and supply shortages, the historically volatile sector jumped to the top spot as over two in five investors (44%) see opportunity.
- **Health care.** As booster shots come into focus, investor interest in health care remains high, ticking down just 1 percentage point to come in tied for second at 40%. And as growth concerns emerge, investors could be shoring up on defensive names, which are a hallmark of this sector.
- **IT.** Even as tech stocks drag, two in five investors (40%) are looking toward this ever-popular sector, but interest still ticked down 5 percentage points from Q3.

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 October 8 to October 16 of 2021 among an online US sample of 901 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.

About E*TRADE Financial Holdings, LLC and Important Notices

E*TRADE Financial Holdings, LLC and its subsidiaries provide financial services including brokerage and banking products and services to retail customers. Securities products and services are offered by E*TRADE Securities LLC (Member SIPC). Commodity futures and options on futures products and services are offered by E*TRADE Futures LLC (Member NFA). Managed Account Solutions are offered through E*TRADE Capital Management, LLC, a Registered Investment Adviser. Bank products and services are offered by E*TRADE Bank, and RIA custody solutions are offered by E*TRADE Savings Bank, both of which are national federal savings banks (Members FDIC). More information is available at www.etrade.com.

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E*TRADE Financial engages Dynata to program, field, and tabulate the study. Dynata provides digital research data and has locations in the Americas, Europe, the Middle East and Asia-Pacific. For more information, please go to www.dynata.com.

Referenced Data

When it comes to the current market, are you?							
	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Bullish	38%	51%	52%	57%	61%	65%	54%
Bearish	62%	49%	48%	43%	39%	35%	46%

Where do you predict the market will end this quarter?		
	Q3'21	Q4'21
Rise	72%	58%
Rise 20%	5%	4%
Rise 15%	10%	10%
Rise 10%	22%	17%
Rise 5%	35%	27%
Stay where it is (0%)	13%	14%
Drop 5%	10%	16%
Drop 10%	4%	10%
Drop 15%	1%	1%
Drop 20%	0%	1%
Drop	15%	28%

If you had to pick a movie title that best describes how you personally feel about the market this quarter, which would it be?		
	Q3'21	Q4'21
Dazed and Confused	17%	27%
Easy Rider	24%	21%
Singin' in the Rain	20%	14%
Raging Bull	16%	11%
Pulp Fiction	9%	9%
Jackass	6%	8%
Fear and Loathing in Las Vegas	5%	5%
Apocalypse Now	4%	5%

Over the next quarter, do you think volatility will...		
	Q3'21	Q4'21
Top 2 Box	64%	66%
Greatly increase	15%	21%
Somewhat increase	49%	45%
Stay the same	29%	28%
Somewhat decrease	7%	5%

Greatly decrease	0%	1%
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Which of the following risks are you most concerned about when it comes to your portfolio? (Top four)

	Total
Inflation	52%
Market volatility	41%
Coronavirus and other pandemic concerns	38%
Recession	38%
Supply chain constraints	38%
Current presidential administration	31%
Economic weakness abroad	31%
Gridlock in Washington	30%
US trade tensions	28%
Job market	24%
Fed monetary policy	24%
The yield curve	13%
None of these	3%
Other	1%

What industries do you think offer the most potential this quarter? (Top Three)

	Q3'21	Q4'21
Energy	37%	44%
Information technology	45%	40%
Health care	41%	40%
Real estate	32%	31%
Financials	29%	28%
Utilities	20%	24%
Consumer staples	21%	23%
Materials	18%	19%
Communication services	22%	19%
Industrials	19%	18%
Consumer discretionary	16%	15%