

**Contact:**

Jessica Greaney

1-212-810-5498

[Jessica.greaney@blackrock.com](mailto:Jessica.greaney@blackrock.com)

***BlackRock 2015 Annual Global Investor Pulse Survey:***

**AMERICANS FOCUS ON THE RIGHT GOALS,  
BUT MONEY ATTITUDES, BEHAVIORS GET IN THE WAY OF FINANCIAL SUCCESS**

---

**Americans Across Generations  
Turn to Technology to Manage Money Matters**

---

**New York, October 22, 2015** – Americans put urgent financial goals like a secure retirement high on their list of priorities, but their attitudes and behaviors regarding money aren't necessarily aligned with their intentions, according to the latest Global Investor Pulse survey from BlackRock (NYSE: BLK).

In a survey of 31,139 individuals in 20 nations, including 4,213 Americans, BlackRock's Global Investor Pulse found that, overall, Americans are positive about their financial future (54%) and confident they are making the right savings and investing decisions (49%), but hold high amounts of cash and often haven't produced a large enough nest egg to meet their annual stated income goals for retirement.

***For Americans, Enormous "Gap" in Retirement Savings***

Saving to live comfortably in retirement was cited as the most important financial priority by Americans after saving money in general, yet the majority (71%) are concerned they won't be able to do so. Many respondents indicated that they find it very difficult to keep up with bills and save for retirement at the same time (74%). The efforts of many Americans to prepare themselves financially for retirement are falling dramatically short of what most say they want. Baby Boomers (age 55 to 65), who are closest to retirement age, said they want to have \$45,500 in annual retirement income, but the nest eggs they have accumulated (\$136,200 in average retirement savings) could provide \$9,129 of estimated annual retirement income<sup>1</sup>, leaving a potential annual gap of \$36,371, according to the BlackRock [CoRI](#) Index 2025.

"It's clear the proverbial 'nest egg' is broken and misleads investors into guessing how much they want in retirement and whether they really have enough savings to reach their goals. Americans need to look at the retirement challenge in a whole new way, starting with the number they should focus on, which is the annual income they need each year in retirement," said Rob Kapito, President, BlackRock.

***Too Much Allocated to Cash***

While Americans said that they ideally should have 33% of their net worth in cash instruments, they admit to holding 65%--far too high an allocation to achieve their retirement goals, given low interest rates and the diminishing purchasing power of their cash related to the pressures of inflation. The current asset allocation of American portfolios according to the survey includes 65% in cash, 18%

in equities, 6% in bonds, 4% in property, 2% in alternatives, 5% listed as "other."

In addition to being cash-heavy, many Americans are failing to grow their money in a disciplined way. Fewer than one in four Americans regularly put aside a certain amount of income into long term savings or investments (23%) or has a formal financial plan for their retirement (14%). Only about one in five makes regular contributions to retirement accounts through their employer (21%) or saves for retirement outside of any employer plans (21%).

### ***What's Holding Americans Back?***

A key obstacle is the feeling of security that cash brings: Nearly four in 10 (39%) say they want to have "cash saved as a security blanket or reserve for unforeseen events before I can think about investing." Further, respondents said that saving money makes them feel secure (39%), hopeful (29%) and confident (28%), while investing money makes them feel risky (37%) and nervous (35%). More than one-third (36%) of Americans are afraid of taking risks with money or losing money, although only 7% said that they actually have lost a lot of money in past investments.

### ***Technology: Not Just for the Young***

Americans across multiple generations are turning to technology to support their financial goals. For all Americans, the Internet is by far the most widely used source of information for long term savings and investment decisions (used by 35%).

About four of 10 Americans (41%) say they are interested in robo-advisors, online investment services that provide recommended portfolios, and interest is particularly strong among Millennials (58%). At the same time, 72% of people interested in robo-advisors also say that they value professional financial advice.

### ***Millennials: Engaged, Yet Concerned***

Millennials display youthful exuberance in terms of their willingness to take risks with their investments and feel positive about investing their money. Sixty-five percent feel positive about their financial future and 48% say "investing is for people like me," and are most likely to buy a new investment or add to an existing one in the coming year (58%), the highest of any age group. They also take financial planning seriously (68%) more than other generations (GenX, 62%; Boomers, 59%). Yet, having seen the impact of the financial crisis on their parents' investments, Millennials are the most likely of any generation (46%) to agree that "what you might earn investing isn't worth the risk of losing your money" or say that "investing is like gambling" (62%), and despite their longer investment horizon they hold high amounts of cash (70% of their portfolio is in cash or cash like investments).

And while 61% of millennials report having started to save for retirement, they are also most likely to report being concerned and confused about saving for retirement, and most likely to agree that "I don't know where to go for financial advice about my retirement" (45%, compared with 38% of Gen X'ers, and 23% of Boomers).

### ***Positive Attitudes, Behaviors Can Make a Difference***

There are a group of Americans – found across the survey population – who are breaking free of the attitudes and behaviors that can hinder effective saving and investing. These are engaged investors, who keep less than 25% of their assets in cash, and more often they have a formal financial plan and tend to have more positive attitudes about investing overall. They review their

investments regularly and are most likely to use online sources and financial advisors to support their decision making. They are the most willing to take risks in order to achieve higher returns and the only group who actively ensure that their assets are diversified across multiple investment classes (stocks, bonds, etc.).

In line with such “good behaviors,” they are most likely to feel well prepared for retirement – nearly nine of 10 (86%) feel on track to reach their retirement goals. And though their income on average is only slightly higher than that of other Americans, they have been able to accumulate considerably more overall wealth and retirement savings than any other group of Americans.

<sup>1</sup> Based on the CoRI Index 2025 level as of 10/20/2015. Subject to change. Retirement is assumed to be at age 65.

### **About the Survey**

One of the largest global surveys ever conducted, the BlackRock Global Investor Pulse survey interviewed 31,139 respondents, in 20 nations. In North America: the US and Canada; in Europe, Belgium, France, Germany, Italy, the Netherlands, Spain, Sweden, and the UK; In Latin America, Brazil, Chile, Colombia, and Mexico; in Asia, China, Hong Kong, India, Japan, Singapore and Taiwan. The US sample included 4,213 respondents. No income or asset qualifications were used in selecting the survey's participants, making the survey a truly representative sampling of each nation's entire population. Executed with the support of Cicero Group, an independent research company, the survey took place from July to August 2015. For the global sample the margin of error is +/-0.7 percent and for the US sample of 4,000 respondents, the margin of error is +/- 1.55 percent. For additional information, please visit the survey's website at [blackrockinvestorpulse.com](http://blackrockinvestorpulse.com)

### **About BlackRock**

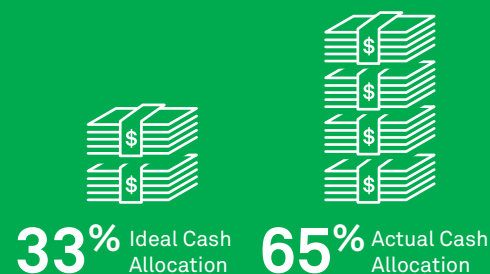
BlackRock is a global leader in investment management, risk management and advisory services for institutional and retail clients. At September 30, 2015, BlackRock's AUM was \$4.506 trillion. BlackRock helps clients around the world meet their goals and overcome challenges with a range of products that include separate accounts, mutual funds, iShares® (exchange-traded funds), and other pooled investment vehicles. BlackRock also offers risk management, advisory and enterprise investment system services to a broad base of institutional investors through BlackRock Solutions®. As of September 30, 2015, the firm had approximately 12,900 employees in more than 30 countries and a major presence in key global markets, including North and South America, Europe, Asia, Australia and the Middle East and Africa. For additional information, please visit the Company's website at [www.blackrock.com](http://www.blackrock.com) | Twitter: [@blackrock\\_news](https://twitter.com/blackrock_news) | Blog: [www.blackrockblog.com](http://www.blackrockblog.com) | LinkedIn: [www.linkedin.com/company/blackrock](http://www.linkedin.com/company/blackrock)

GMC-0121

Americans put **urgent financial goals** like a **secure retirement** high on their list of priorities. But their attitudes and behaviors regarding money aren't necessarily aligned with their intentions.

### CASH IS KING

Americans believe 33% of their net worth should be in cash investments, but instead hold 65%.



**71%** of Americans are concerned that they will not be able to live comfortably in retirement



**60%** of Americans who aren't retired say they are saving either through workplace or personal plans

### AMERICANS' RETIREMENT INCOME GAP

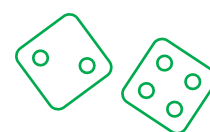
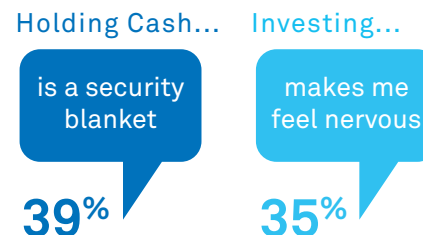
**BOOMERS FACE A POTENTIAL**



in their **expected retirement income (\$45,500)** and the estimated retirement income their **nest eggs (\$136,200) could provide (\$9,129)**

Based on the CoRI Index 2025 level as of 10/20/2015. Subject to change. Retirement is assumed to be at age 65.

### WHAT'S HOLDING AMERICANS BACK?



**36%** Are afraid of taking risks with their money

### AMERICANS: USING TECHNOLOGY TO SUPPORT THEIR GOALS



**41%** are interested in robo advisors



**72%** of those say they value professional advice

### 65% OF MILLENNIALS: FEEL POSITIVE ABOUT THEIR FINANCIAL FUTURE FUTURE



**48%** say investing is for people like me (the highest of any age group)

**58%** express interest in robo advisors

**34%** currently see a financial advisor

When in fact...



**only 7%** Have lost a lot of money in past investments

### THE BRIGHT SPOTS ACROSS THE POPULATION WERE FOUND IN ALL GENERATIONS

