# The State of Personal Investing EOY 2022

magnifi
by TIFIN

# Methodology

The opt-in survey was commissioned by Magnifi the week of October 17, 2022, among one thousand American adults aged eighteen and older, and conducted online by Dynata. Respondents of the survey were selected from those who volunteered to participate in online surveys. One thousand complete surveys were collected using the sample framework based on U.S. Census data for age, ethnicity, gender, region, and income.

# High-level findings

- One-third of respondents (35%) have never invested in the stock market.

- 42% of respondents don't think they have enough money to invest in the stock market.

- 49% believe they only need $100 or more to begin investing.

- 28% of respondents do not plan to invest in 2023, while 36% of respondents plan to invest by themselves, instead of with a financial advisor or a robo-advisor.

- Half of respondents (50%) believe you should begin investing in the stock market when you get your first job, while 27% think you shouldn't start until you have substantial cash savings.

- 58% of respondents are either not on track or weren't sure they were on track to achieve their financial goals in 2022.

- 54% of respondents are nervous that their current financial situation will not allow them to retire by the age of 65.

- The top three reasons respondents started to invest, or would start, are: to earn additional income (49%), to be able to retire someday (42%), and to be able to retire early (23%).

# How are we doing?

In 2022, it's clear that people are struggling to build wealth, whether for a home or retirement. In fact, this year more than half (58 percent) of Americans believe that they are not on track to achieve their financial goals.

# Not

58%*

# on track

43%

* 58% of Americans are either not on track or weren't sure they were on track to achieve their financial goals in 2022.

# Why do we invest?

The fact that almost 60 percent of Americans are not on track to achieve their financial goals in 2022 – combined with a potential lack of knowledge about basic long-term financial planning – is troubling. Investing is widely seen as a path toward earning additional income (49 percent), saving for retirement (42 percent), or even allowing one the financial stability to retire early (23 percent), three of the top reasons Americans start to invest, or would start investing. Yet, data also reveal broad trends that support an accessible solution to get people back on track with their goals.

**49%**
Earn additional income

**23%**
Retire early

**27%**
Responsible thing to do

**42%**
Retire some day

**20%**
Build multi-generational wealth

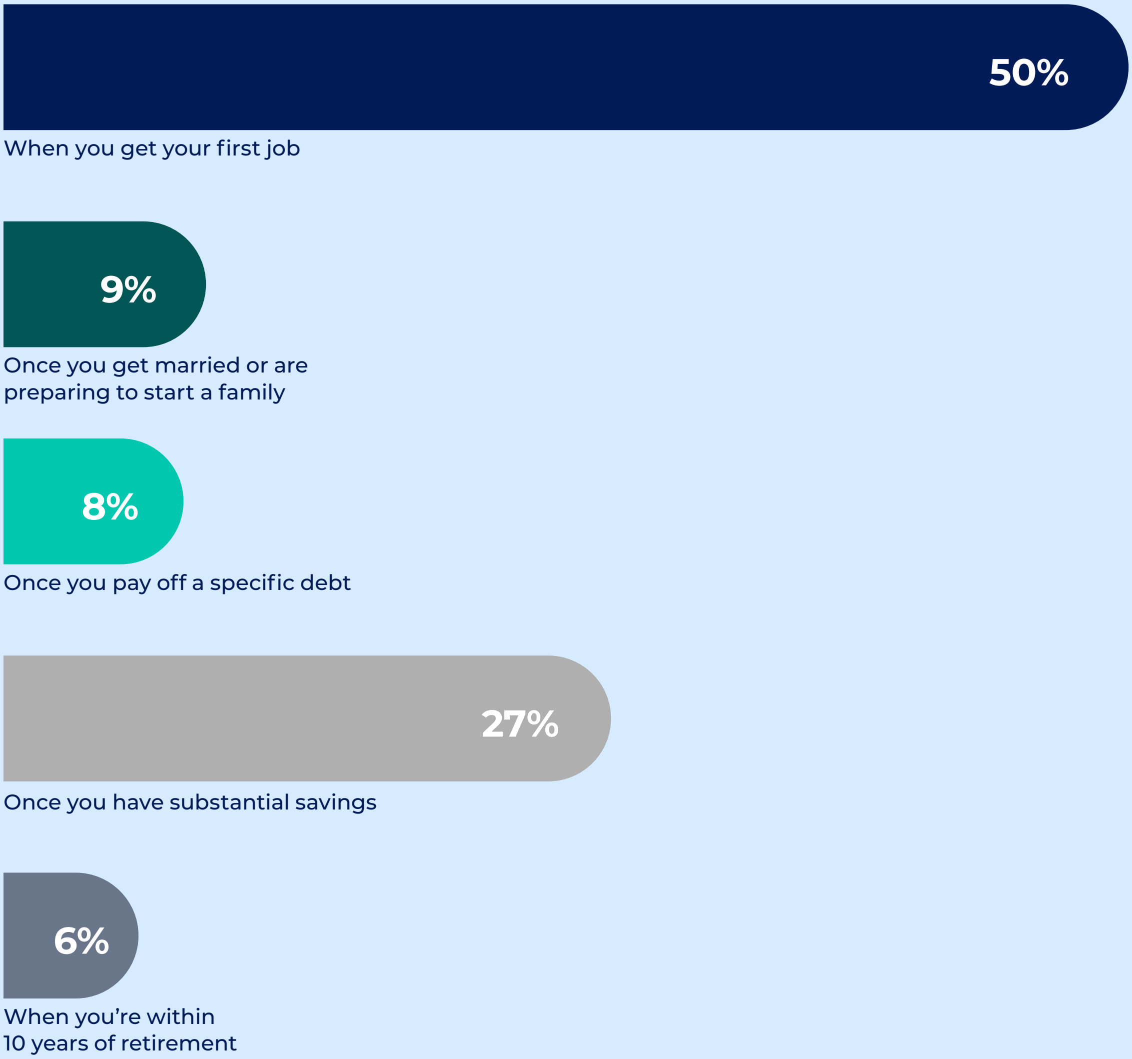
**18%**
Offset inflation

**19%**
Outpace the interest rates of a savings account.

**12%**
Make a large purchase or trip

# When should we invest?

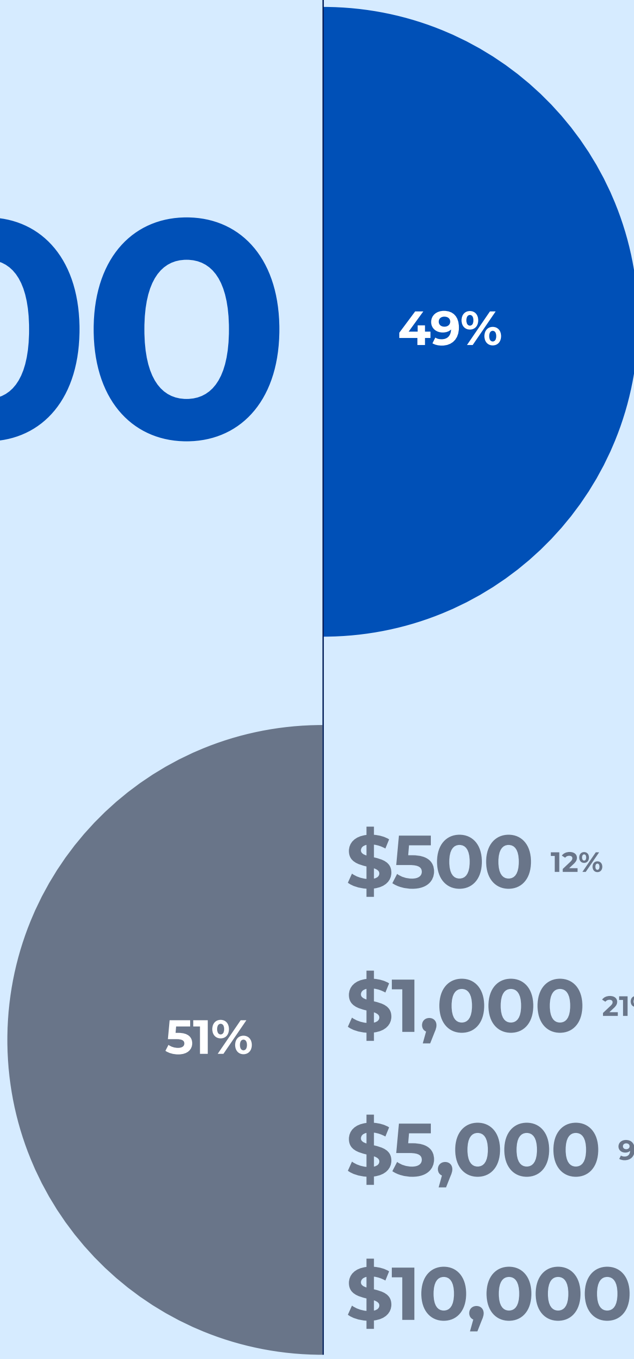
The positive news is that once people are ready to invest, they're in good company. Many (51 percent) are already on the path toward a more secure financial future, having invested before they were thirty-five, and half (50 percent) believe everyone should start investing as soon as they get their first job.



# How much should we invest?

The idea that investing is only for the wealthy is outdated; many people today (49 percent) understand that they can get started with just $100. They’re familiar with fractional shares and ETFs, which investing platforms like Magnifi provide. All in all, most people seem to realize how accessible investing is.

**$100**




**$500** 12%

**$1,000** 21%

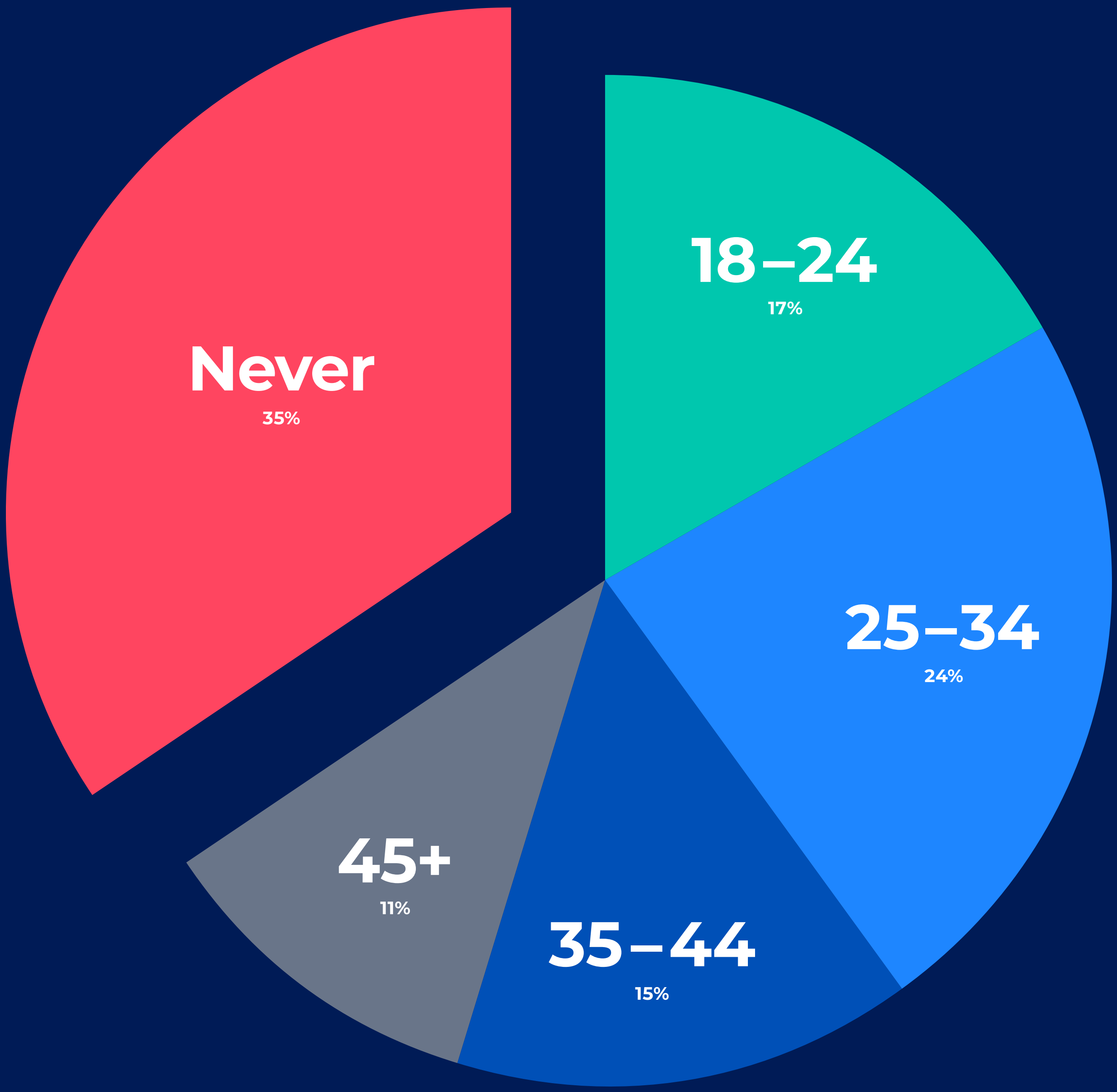
**$5,000** 9%

**$10,000+** 8%

**Mutual Funds** and **Exchange Traded Funds (ETFs)** are sold by prospectus. **Please consider the investment objectives, risks, charges, and expenses carefully before investing.** *The prospectus, which contains this and other information about the investment company, can be obtained from the Fund Company or your financial professional. Be sure to read the prospectus carefully before deciding whether to invest.*

# So why don’t we invest?

For too many people with the means to invest, starting a long-term portfolio feels unattainable. More than one-third (35 percent) of Americans have never invested in the stock market.



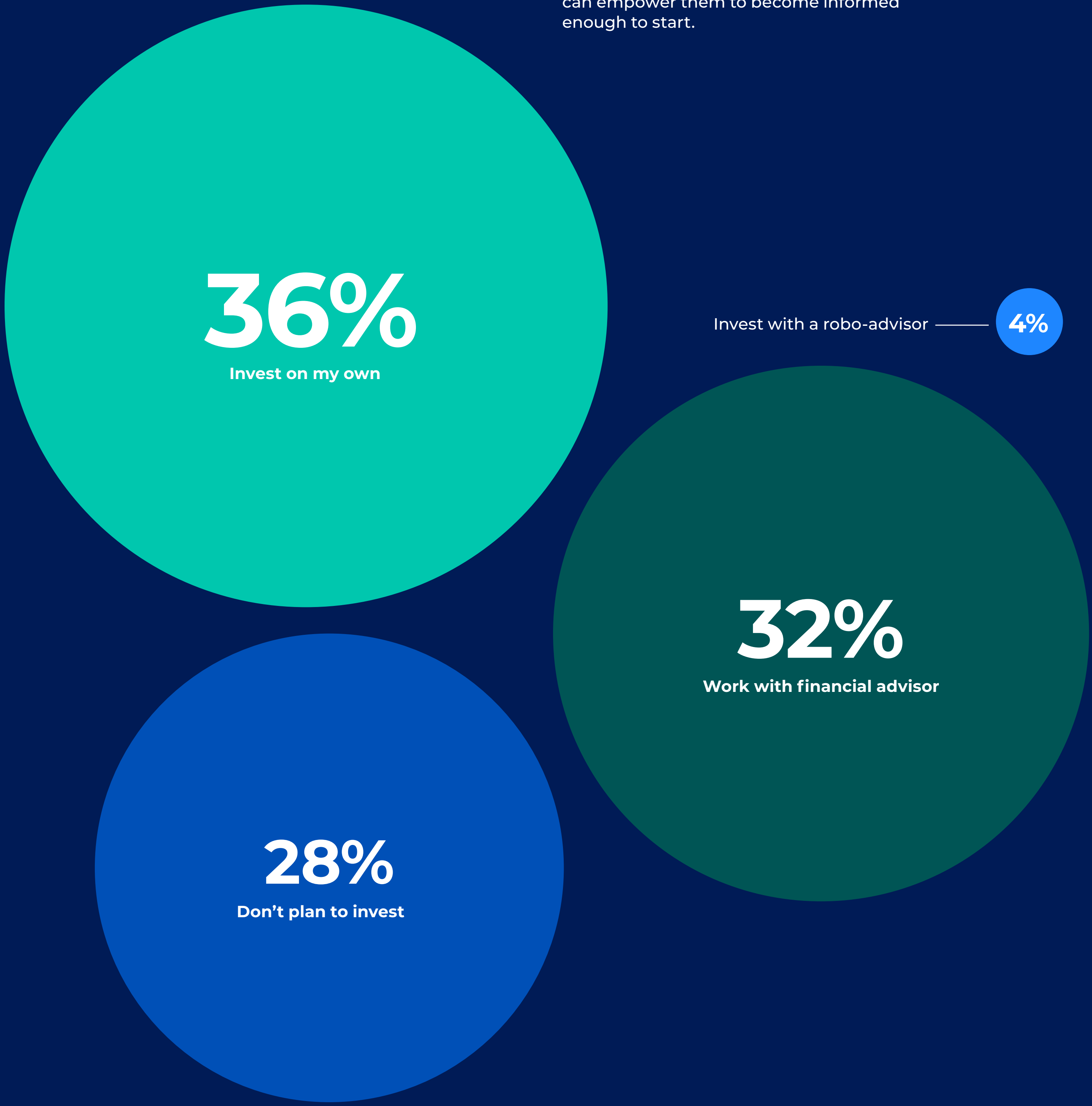
# Barriers to investing

A substantial population (42 percent) feel they don't have enough money to invest, and a large number of people (a collective 68 percent) just don't have the confidence to get started.

- **42%** — Not enough money
- **41%** — Lack of confidence
- **27%** — Don't know where to start
- **11%** — Not enough time
- **38%** — Fear of losing money
- **15%** — Too much debt
- **20%** — No problems investing

# Turning the corner in 2023

People want to be responsible; they want to save for their financial future. Yet, for the many (54 percent) nervous that they will not be able to retire by sixty-five, the barriers to investing are too steep. The data indicate a solution: with a majority of Americans (36 percent) planning to invest on their own instead of with a financial advisor or a robo-advisor, the key to making investing accessible is putting the tools and data they need in their hands. And, for the more than a quarter of Americans (28 percent) who have no plans to invest, perhaps these tools and data can empower them to become informed enough to start.

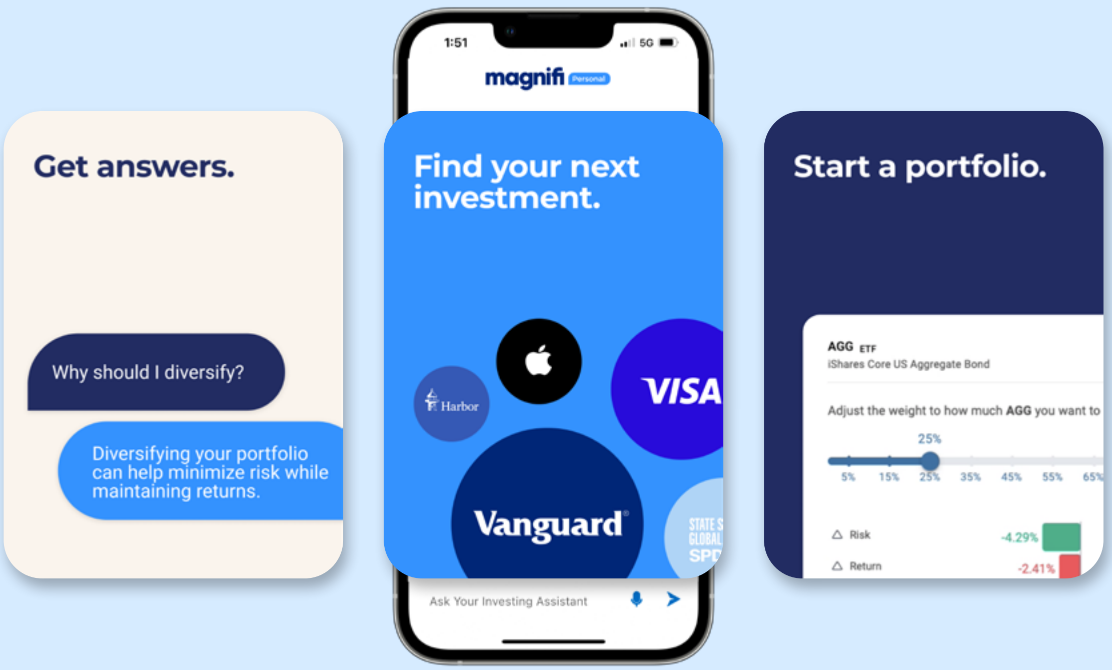


# A solution: investing, made personal

What do new and uncertain investors need? For some, a way to learn about diversification or how they could invest in an uncertain market. For others, step-by-step guidance in creating a balanced portfolio. For still others, focused insights to help them stay on top of market changes, without all the excess noise. No one invests the same way, and so investing has to be personal.

That's why we created Magnifi, an AI-powered investing marketplace, to give investors access to the data and intelligence they need to make informed decisions. And, with Magnifi Personal, an investor can have a virtual investing assistant, too – by their side 24/7 to help grow their wealth with investments that work for them.

Today is a great day to start investing for tomorrow. And, we've made it even easier for people to get started, on Magnifi. Learn more at magnifi.com.




Diversification does not guarantee a profit or protect against a loss in a declining market. It is a method used to help manage investment risk.

# Appendix

# FULL FINDINGS

1. At what age did you begin investing in the stock market?
    a. 18-24: 17%
    b. 25-34: 24%
    c. 35-44: 15%
    d. 45+: 11%
    e. I've never invested in the stock market: 35%

2. In your opinion, when should you start investing in the stock market?
    a. When get your first job: 50%
    b. Once you get married or when you're preparing to start a family: 9%
    c. Once a specific debt is paid (e.g. student loans or car loans): 8%
    d. Once you have substantial savings: 27%
    e. Within 10 years of retirement: 6%

3. What is your investment plan for 2023?
    a. Work with a financial advisor: 32%
    b. Invest by myself: 36%
    c. Use a robo-advisor: 4%
    d. I don't plan to invest next year: 28%

4. Why did you start investing? If you're not investing presently, why would you start? Please select all that apply.
    a. To earn additional income: 49%
    b. To build multi-generational wealth: 20%
    c. To offset inflation: 18%
    d. To outpace interest rates of a savings account: 19%
    e. To be able to retire some day: 42%
    f. To be able to retire early: 23%
    g. To be able to pay for your child's future: 18%
    h. To be able to make a large purchase or trip: 12%
    i. Because it's a responsible thing to do: 27%

5. How much money do you think you need to start investing in the stock market?
    a. $100: 49%
    b. $500: 12%
    c. $1,000: 21%
    d. $5,000: 9%
    e. $10,000 or more: 8%

6. What would stop you from independently investing in the stock market? Please select all that apply.
    a. Don't have enough money: 42%
    b. Lack of knowledge/confidence: 41%
    c. Don't know where to start: 27%
    d. Don't have enough time: 11%
    e. Fear of losing money: 38%
    f. Have a lot of debt: 15%
    g. I have no problems investing: 20%

7. What's most important to you when selecting an investment marketplace or app?
    a. Brand credibility: 27%
    b. New technology: 5%
    c. Access to expert analysis: 11%
    d. User experience: 12%
    e. Commission free trades: 15%
    f. Ability to trade options: 4%
    g. Ability to trade crypto: 1%
    h. Ability to buy fractional shares: 3%
    i. Recommendation from a friend or family member: 20%

8. True/False: I am nervous that my financial situation will not allow me to retire by 65.
    a. True: 54%
    b. False: 46%

9. Yes/No: Are you on track to achieve your 2022 financial goals?
    a. Yes: 43%
    b. No: 40%
    c. I don't know: 18%

10. Which of the following statements are true? Select all that apply
    a. Only large investments with well-known companies make a profit: 12%
    b. Debt should be paid off before you begin investing: 28%
    c. The difference between a stock and bonds is that you can't invest in bonds online: 10%
    d. Meme stocks are a form of cryptocurrencies: 7%
    e. Capital gains and dividends won't affect your tax return: 8%
    f. Mutual funds are the least-risky asset type for a beginner investor: 24%
    g. None of these statements are true: 40%

# About TIFIN

TIFIN is an AI-powered fintech company that leverages data science, investment intelligence, and technology to deliver engaging and personalized investor experiences. By connecting individuals to advice and investments, TIFIN bridges the gap between investors, their trusted intermediaries, and asset managers.

Founded in 2018 by Dr. Vinay Nair, a former Wharton Professor and successful entrepreneur, TIFIN was created to help make investing a powerful driver of financial well-being by eliminating frictions investors face.

TIFIN manages Magnifi, an intelligent search-powered marketplace for investments; TIFIN Wealth, a platform for advisors, wealth managers, and other intermediaries to deliver better individual outcomes; Magnifi Communities, a digital platform of specialized investors; all powered through Distill, a central digital distribution and insights engine using TIFIN's data platform.

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