

The Fidelity Investments® Millennial Money Study: Facts, Figures and Findings

A Few Words about the Study:

The Fidelity Investments' ***Millennial Money Study*** is a follow-up to the 2014 Intra-Family Generational Finance study, a comprehensive online poll of U.S. parents and their adult children conducted between March 3 – April 9, 2014. The Intra-Family Generational Finance study examined the levels of agreement between families on key financial topics, and included 1,058 parents and 159 adult children. To qualify, parents had to be at least 55 years of age, have an adult child older than 30 and have investable assets of at least \$100,000. Children qualified if they were at least 30 years of age, had at least \$10,000 saved in an IRA, 401(k) or other investment account.

The follow-up study, designed to ask many of the same financial questions to gain a Millennial perspective, was conducted from April 2 – April 9, 2014 by GfK Public Affairs and Corporate Communication, using GfK's KnowledgePanel®. The study examined a group of 152 adults aged 25 to 34. To qualify, Millennials had to have at least one living parent.

Millennial Profile:

- ✓ Average age is 30
- ✓ 43% have a 401 (k); 23% have an IRA
- ✓ 40% have children
- ✓ Average age of their parents (father 58; mother 55)
- ✓ 32% of their parents are retired
- ✓ Average salary is \$64K; average savings is \$37K
- ✓ 76% are working
- ✓ 46% are married

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Key Findings

Millennial Musings on Money

- When asked how often they worry about their financial future, 39% of Millennials admit to worrying at least once a week or more often. It appears that women in this generation worry more than men: While 19% of millennial men say they “never” worry about their financial future, only 2% of women say this.
- When asked who they trust most for information on money matters, while 33% of Millennials say their parents, 1 in 4 (23%) say they trust no one.
- While the majority of Millennials (59 percent) consider their parents to be good financial role models, a fairly sizeable number do not. In fact, 41% of them disagree with the statement “My parents provided a good example of how to have a successful financial future.”
 - Furthermore, nearly one-half (49%) say they don’t get financial advice from their parents and 27% tell their parents nothing when it comes to money.
- When asked to describe what money means to them from a list of five words, 42% of Millennials chose “security,” 22% chose “stress” and 21% chose “comfort.”

Facts on Family Discussions

- Encouragingly, three-quarters (76%) of Millennials say they do not have any difficulty starting a conversation with their parents about saving and investing for the future.
- However, two-thirds (67%) have not had detailed conversations with their parents regarding important issues including estate planning, health and eldercare, and covering living expenses in retirement; 41% are not having ANY conversations at all with their parents about their will and estate planning.
- Millennial women vs. men are significantly more likely to think it is important to have frank conversations with their parents about:
 - Estate planning/wills (86% vs. 56%)
 - Health and Eldercare (92% vs. 63%)
- 51% of Millennials assume they will be caring for their parents should they become ill; women are more likely to assume that either they or their sibling will care for their parents should they become ill (61%) vs. only 42% of men. Men are more likely to say “they don’t know” (35% vs. 17%).

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Millennials and Retirement

- The top three issues Millennials are trying to tackle include: accumulate more savings for retirement (52%), pay off credit card debt (41%), and pay off student loans (28%).
- Nearly one-half (47%) have started to save for retirement, with 43% indicating they have a 401(k) and 23% indicating they have an IRA. On the flip-side, however, 53% have not started to save for their retirement.

Getting by with a Little Help from Mom and Dad

- Two-thirds of Millennials surveyed think it is more acceptable now for children to move back home after college, and 32% agree they are more financially dependent on their parents than their parents were at the same age.
- While 80% say they currently live outside of their parent's home and pay all their own expenses, 34% admit that at one point they did have to move back with their parents after they had been on their own.
- Nearly one-half of Millennials have received some kind of financial assistance from their parents at some point since leaving home. Topping the list are cell phone bills, car insurance and groceries.

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**Fidelity Brokerage Services LLC, Member NYSE, SIPC
900 Salem Street, Smithfield, RI 02917**

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