



2016 Fidelity Investments® Millennial Money Study: Facts, Figures and Findings

About the Study

The 2nd biennial Fidelity Investments' *Millennial Money Study* was conducted from July 27 to August 2, 2016 by GfK Public Affairs and Corporate Communication, using GfK's KnowledgePanel®. In total 615 adults aged between 25 to 70 were interviewed, consisting of: 305 Millennials (ages 25 to 35), 155 Gen Xers (ages 36 to 51) and 155 Baby Boomers (ages 52 to 70). To qualify, respondents had to have either a living parent or an adult child over the age of 18.

Data was weighted to bring each group in line with the population they represent. Margin of Error for this study is +/- 6.3% for Millennials, 8.6% for Gen X, and 8.5% for Boomers.

Key Findings

Getting by with a little help from their parents

- Nearly half of millennials (47%) have accepted some form of financial assistance from their parents since they've been "on their own." Parental assistance is most likely to take the form of help with a cell phone bill, utilities or groceries, with one in five millennials receiving support from their parents for two of these items.



47% of Millennials have received monetary assistance from their parents

- Six in 10 (67%) respondents agree it's more acceptable now for children to move back home with their parents. Maybe it's no surprise then there's been an increase in Millennials currently living at home with their parents (21%) since the last time this study was conducted in 2014 (14%).

21% of Millennials currently live at home with their parents compared to 14% in 2014



- While 66% of Millennials say they currently live outside their parents' home and pay all their own expenses, 25% of all those surveyed admit that at some point they did have to move back with their parents for financial reasons, compared to just 12% of Gen X and 9% of Boomers.

Millennials see their parents as strong role models and many have started to save

- Nearly two-thirds of Millennials (65%) agree their parents provided a good example of how to have a successful financial future, compared to 56% of both Gen X and Boomers. In addition, 67% think their parents learned from their past financial mistakes compared to 60% of Gen X and 55% of Boomers who think the same.

% AGREE	Millennials	Gen Xers	Boomers
My parents provided a good example of how to have a successful future	65%	56%	56%
My parents learned from their past financial mistakes	67%	60%	55%
I am as knowledgeable about finances as my parents were at my age	54%	59%	56%
It is more acceptable now for college grads to move back home with their parents	69%	64%	69%

- More Millennials have started to save this year than in 2014 (85% vs. 77%, respectively).
- Despite the fact that 40% of Millennials agree retirement is far away and they have plenty of time to save more, the data shows six in ten have already started saving for retirement – comparable to the 61% of Gen X and 67% of Boomers.
- In addition, 59% of Millennials have put money into an emergency fund to cover any unexpected costs, compared to 67% of Gen X and 68% of Boomers. Interestingly, on average, Millennials have a higher amount saved to cover an emergency compared to both Gen X and Boomers. Millennials estimate this amount will cover about six and a half months of living expenses.

	Millennials	Gen Xers	Boomers
Have started saving for retirement	60%	61%	67%
Have put money into an emergency fund to cover unexpected expenses	59%	67%	68%
Average amount saved in an emergency fund	\$9100	\$8700	\$7100

- Most Millennials (86%) are keeping their emergency fund in a traditional savings account or cash (16%). Only 8% of Millennials are keeping these funds in a brokerage or investment account, compared to 11% of Gen X and 23% of Boomers.

When asked how they would describe their general approach to finances, Millennials view themselves more as spenders (44%) or savers (46%). Only 9% describe themselves as an investor, despite the fact that 63% of Millennials currently have an investment account.

	Millennials	Gen Xers	Boomers
I am a spender	44%	29%	35%
I am a saver	46%	62%	53%
I am an investor	9%	9%	12%

Many Millennials money shy when talking to their parents

- Despite the reliance some Millennials have on their parents when it comes to money, many tend to shy away from conversations about finances with their parents. More than one-third (34%) admit they find it difficult to start a conversation about how they are handling their *savings and investments*, up from 24% in 2014.
- When asked what types of financial information they tend not to share with their parents 25% said how much they spend on entertainment and clothes, 23% on how much debt they have and 22% on how much they have saved; of interest - 23% said they tell them nothing.

Financial issues Millennials are trying to cover

- The top financial issues Millennials are trying to tackle: accumulating more savings for retirement (44%), building an emergency fund (44%), paying for essential living expenses (38%), reducing credit card debt (33%), and paying off student loans (30%).
- Compared to Gen X and Boomers, Millennials are more likely to be working to pay rent, pay off student loans and purchase a home.
- While accumulating more savings for retirement is among the top financial priorities regardless of generation, Gen Xers and Boomers prioritize not only building savings but also maintaining a comfortable lifestyle in retirement financially.

Mobile apps Usage among Millennials

- The majority of Millennials use mobile apps to conduct financial transactions such as: accessing checking/savings accounts (61 percent), managing credit cards (52 percent) and paying bills (49 percent). In contrast, far fewer Millennials actively check on their brokerage (14 percent) or retirement accounts (18 percent).

% Currently use mobile app to:	Millennials	Gen Xers	Boomers
Access checking/savings accounts	61%	45%	30%
Manage/pay credit cards	52%	25%	22%
Pay Bills	49%	31%	24%
Access brokerage/investment accounts	14%	10%	8%
Access retirement accounts	18%	14%	12%

Do financial concerns keep Millennials up at night?

- For four out of 10 Millennials, the answer is yes. One-quarter of Millennials worry “all the time” about their future financial security, with an additional 17% worrying a few times a week or more. Interestingly, worries about future financial security are consistent across all generations—in fact, one quarter are concerned about this topic all the time.

How often do you worry about your future financial security:	Millennials	Gen Xers	Boomers
All the time	25%	26%	22%
A few times a week or more	17%	12%	13%
A few times a month	23%	17%	16%
A few times a year or less	18%	28%	30%
Never	9%	6%	13%
I don't know	8%	11%	6%

Millennial Profile of Respondents

- ✓ Average age is 30
- ✓ 48% have a 401(k); 28% have an IRA
- ✓ 52% have children
- ✓ Average age of their parents: father 60, mother 57
- ✓ 35% of their parents are retired
- ✓ Average salary is \$68K; average savings is \$67K
- ✓ 69% are working
- ✓ 40% are married

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