



LLOYDS BANK

PRESS RELEASE

Gen Z investing for a head start on financial life goals

- **More than two in five 18-25-year-old investors started investing in the past year**
- **Buying a property top Gen Z investment goal**
- **Lloyds Bank unveils new Invest Wise accounts for 18-25 year-olds**

Young people are turning to investing to help reach financial milestones, according to new research* from Lloyds Bank.

More than a third (36%) of 18-25-year-olds who invest and more than a third of those who don't yet (35%) say their main motivation for investing was to buy their first home, making it Gen Z's top investment goal.

The study of 2000 young adults aged 18 to 25 revealed other investment goals, which included achieving financial security, saving for a holiday, making more money and saving for retirement.**

It also found that getting on to the property ladder was also the top motivator for people to start investing in the first place, followed by starting a career, finishing university, getting married and starting a family.

The study highlights attitudes to investing including trends and barriers, as 42% of young investors are new to investing – having started in the past 12 months – and more than half are female (52% compared to 37% male).

Almost one in four (23%) of 18-25-year-olds say they always have money left over after they have paid their bills, with more than four in five (83%) reporting some ability to save. However, the study suggests that the main barrier to investing for Gen Z is perception.

For example, just over two-thirds (67%) of investors in this age group think that costs associated with investing make it expensive, while a third (34%) are put off by not knowing enough to get started.

With a little extra cash to spare and a goal in sight, nailing the knowledge gap could be the key jump starter for those ready and willing to invest and looking for the right start.

Lloyds Bank has created Invest Wise to help people aged 18-25 take their first step into investing. They can start from £20 a month with free regular investing, no account fee (until age 26) and smart tools to help people invest. Everything from everyday banking to investments is held within their Lloyds Bank app.

Manuel Pardavila-Gonzalez, Managing Director, Lloyds Bank Investments, said: "Seeing more young people switched on to investing and using it to connect with their life goals means we need to do more to help them start making their money work harder now.

"Parents can also play an important part in talking about managing money and financial future with the family – especially if they are often seen as their children's biggest financial role models – including how small steps now can help real difference in the longer term.

"We've designed Invest Wise as an easy and affordable way to help give people aged 18-25 the confidence to start working towards those goals. They can invest for free using a regular investment plan, meaning more of



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their own money can go towards investing for their own home, planning their dream trip or building up a nest egg for the next big life stage.”

Example Investments

Start investing at 18 and finish at 28 (10 years)

£20 per month – £3,460
£50 per month – £8,651
£100 per month – £17,302

Start investing at age 18 until age 40 (22 years)

£20 per month – £12,378
£50 per month – £30,946
£100 per month – £61,892

Note: Based on the historical return of the FTSE 100 index. The average annual return rate of 6.89% is the ten-year average between 2012 to 2022.

Almost two-thirds of young people say they have friends or family who already invest, but the main financial role model for this age group is a parent. Of those polled, 42% turn to their mums and dads for help with money, with financial advisers, financial help websites and their own bank the main places people turn to for support.

Invest Wise is the latest way in which the bank is creating simple and cost-effective means to help people invest, following the introduction of its [Ready-Made Investments](#) service and [Exchange-Traded Funds Quicklist](#) working with iShares by BlackRock in 2023, built for those who have limited time to research the market or aren't sure which funds to pick.

Ends

Notes to editors

*Research carried out by Opinium on behalf of Lloyds Bank in January 2024 among 2000 UK adults aged 18 to 25 as well as 2000 UK adults aged 18+.

Gen Z – those born in the late 1990s and early 2000s

Additional information first-time buyers from Halifax **Halifax first-time buyer latest data**

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Personal investment goals 18-25-year-olds	Total	Male	Female
To buy a house/pay off mortgage	42 %	32 %	51 %
Financial security	41 %	36 %	46 %
To save for a holiday	37 %	29 %	45 %
Provide a good financial future for my family/children	33 %	30 %	35 %
Personal wealth generation (to make more money)	32 %	33 %	32 %
Saving for retirement	22 %	25 %	20 %
Other	1 %	0 %	1 %
I don't have any investment goals	7 %	8 %	7 %



Life events that prompted me to invest?	Total	Male	Female
Saving for my first house	36 %	34 %	42 %
Buy my first house	29 %	27 %	32 %
Career start	22 %	23 %	21 %
Finishing university	21 %	21 %	21 %
Marriage	15 %	17 %	12 %
Starting a family	9 %	8 %	11 %
Other	1 %	1 %	2 %
Don't know	4 %	4 %	5 %
No specific life event prompted me	12 %	13 %	9 %

About Invest Wise

The service will also be available to Halifax and Bank of Scotland customers called 18-25 Investing. The value of investments and the income from them can fall as well as rise, and investors may get back less than they invest. Invested money, historically, has earned a higher level of return than savings but nothing is guaranteed.

About BlackRock

BlackRock's purpose is to help more people experience financial well-being. As a fiduciary to investors and a leading provider of financial technology, we help millions of people build savings that serve them throughout their lives by making investing easier and more affordable. For additional information on BlackRock, please visit www.blackrock.com/corporate.

About iShares

iShares unlocks opportunity across markets to meet the evolving needs of investors. With more than twenty years of experience, a global line-up of 1400+ exchange traded funds (ETFs) and \$3.5 trillion in assets under management as of December 31, 2023, iShares continues to drive progress for the financial industry. iShares funds are powered by the expert portfolio and risk management of BlackRock.

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