

# Bankrate

## **Amid Market Volatility and Inflation, Less than 1 in 5 Will Increase Their Stock Market Investments This Year**

*Younger investors more likely to have actively bought, sold, or withheld additional investment this year in response to recent volatility or inflation*

NEW YORK – May 19, 2022 – Considering market volatility, elevated inflation, and other economic factors, less than 1 in 5 (18%) Americans with retirement or investment accounts will increase their stock market investment in 2022 as compared to 2021, according to a new Bankrate.com report. Roughly 7 in 10 stock market investors (69%) will either maintain or decrease their stock market investment this year as compared to last year. That includes more than half (52%) who will invest about the same as last year and 18% who will decrease them this year.

Further, 73% of Gen Z (ages 18-25) and 46% of millennial stock market investors (ages 26-41) actively bought, sold, or withheld additional investment so far this year in response to recent heightened volatility or inflation, while just 28% of Gen X (ages 41-57) and 25% of baby boomer investors (ages 58-76) took action. Click here for more information:

<https://www.bankrate.com/investing/survey-market-volatility-stocks-may-2022>

### **Investor Outlook**

Gen Z and millennial stock market investors are far more likely to increase their investments this year (43% and 27% respectively) than decrease them (18%, 14%). By comparison, Gen X investors are more evenly split (14% more, 16% less), while baby boomers are nearly three times as likely to invest less in stocks this year than last year (8% more, 22% less). Gen X (55%) and baby boomer investors (57%) are more likely to invest about the same amount in the stock market as last year than Gen Z (33%) and millennial (48%) investors.

“Gen Z and millennial investors willing to invest more in stocks this year, despite market volatility and inflation, can see greater long-term reward for the discipline of hanging on and buying more at lower price points,” said Bankrate.com chief financial analyst, Greg McBride, CFA. “Boomers are nearly three times as likely to invest less in stocks this year, rather than more, as compared to last year but this is entirely consistent with dialing back portfolio risk as retirement looms, begins, or continues, regardless of the overall market environment.”

### **Responding to Volatility and Inflation**

Overall, more than half of stock market investors (56%) took no action in response to market volatility so far in 2022. Just 14% bought more stocks, 16% moved money out of their stock investments and/or refrained from buying more, and 15% were unaware of the heightened volatility this year.

Though inflation is at a 40-year high, it has not affected most stock market investors' actions either, with 62% taking no action in response. Just 13% of investors bought more due to inflation, 14% moved money out and/or refrained from buying more, and 11% said they were unaware of the elevated levels of inflation.

The majority of both Gen X (56%) and baby boomer investors (64%) intentionally did nothing in response to both stock market volatility and inflation, compared to just 14% of Gen Z and 36% millennial investors. Gen Z (44%) and millennial investors (26%) were more likely than their elders to sell or withhold additional investment due to one or both factors, while also being more likely to buy more in response to at least one issue (46% of Gen Z and 27% of millennials). Meanwhile, 15% of both Gen X and baby boomer investors sold or withheld additional investment because of at least one factor, while 15% of Gen X and 11% of baby boomers bought more.

Finally, households earning less than \$50,000 annually were the most likely to take action in response to volatility or inflation (46%), compared with households earning \$50,000-\$79,999 annually (32%), households earning \$80,000-\$99,999 annually (36%), and households earning \$100,000 or more annually (37%). The lowest earners were more likely to sell and/or withhold additional contributions due to one or both factors (33%) than those earning more (between 19% - 22% for other income brackets).

## **Investor Overview**

Currently, more than 2 in 5 U.S. adults (43%) have stocks or stock-market related investments (including retirement or investment accounts). Among cohorts, 34% of Gen Zers, 40% of millennials, 45% of Gen Xers, and 47% of baby boomers say they have such investments. Men (50%) are also significantly more likely than women (37%) to say they have stocks or stock-market related investments. By income level, 70% of the highest earning households (earning \$100,000 or more annually) have such investments compared to 53% of households earning \$80,000-\$99,999 annually, 37% earning \$50,000-\$79,999 annually, and 19% of households earning under \$50,000 annually.

## **Methodology:**

Bankrate.com commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 3,658 adults, including 1,541 with stock-related investments (including retirement o. Fieldwork was undertaken on April 19-22, 2022. The survey was carried out online and meets rigorous quality standards. It employed a non-probability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

## **About Bankrate.com:**

Bankrate has guided savers and spenders through the next steps of their financial journeys since 1976. Whether it's rates or information on mortgages, investing, credit cards, personal loans, insurance, taxes or retirement, the company offers various free resources to help consumers

reach their goals. From product comparison tools to award-winning editorial content, Bankrate.com provides objective information and actionable next steps. Bankrate.com also aggregates rate information from over 4,800 institutions on more than 300 financial products, with coverage in more than 600 local markets. It's why over 100 million people put their trust in Bankrate.com every year.

**For More Information:**

Julie Guacci  
Public Relations Specialist  
[julie.guacci@bankrate.com](mailto:julie.guacci@bankrate.com)  
917-368-8673