

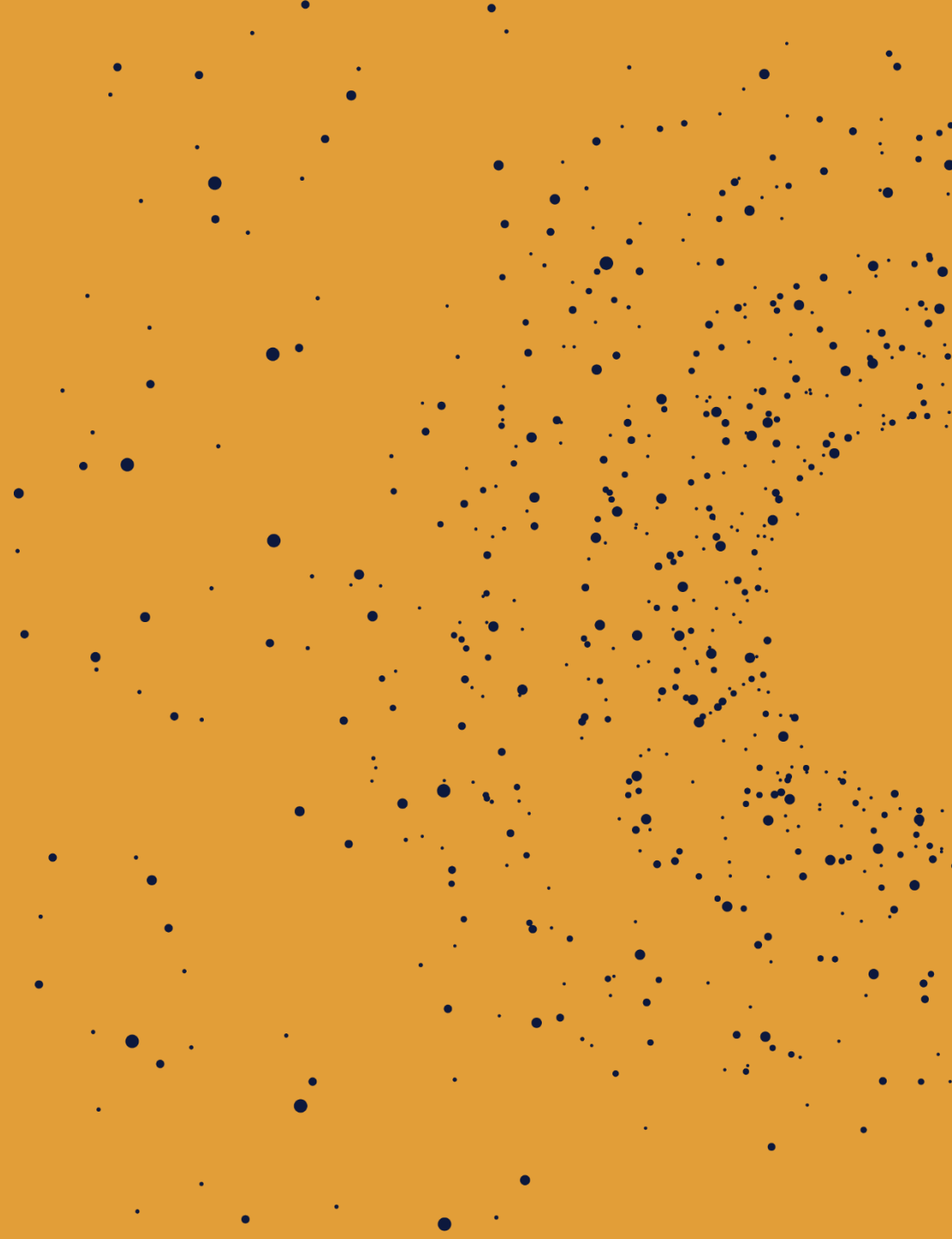
# Investing During COVID-19 *(Part 1 of 2)*



British Columbia  
Securities Commission

# Key Findings:

## Financial Impacts and Concern



# Non-investors and younger respondents are more likely to report negative financial impacts related to COVID-19



In most provinces, the most significant restrictions related to COVID-19 were put into place starting in March. Since that point in time, have you experienced any of the following? BY Investor Type, Age  
[asked of all respondents; n=1,500]

I've had to draw on my savings to make ends meet

30%

I was laid off/had hours reduced

28%

Others in household laid off/hours reduced

27%

At least one month, I've struggled to pay my bills

24%

My household is having to take on more debt than before

21%

Investor Type				Age		
Non-Saver	Saver, No Investments	All Investors	Securities Investors	18-34	35-54	55+
39%	41%	27%	26%	38%	33%	22%
41%	37%	25%	24%	41%	32%	15%
30%	32%	25%	25%	38%	28%	17%
52%	29%	18%	16%	29%	29%	14%
36%	21%	18%	18%	29%	25%	12%

# More say they're investing/saving less than those who say more; 6-in-10 (59%) investors report a loss of portfolio value

## Saving More or Less

**Q** Currently are you saving more or less money than you normally would?  
[asked of all respondents; n=1,500]



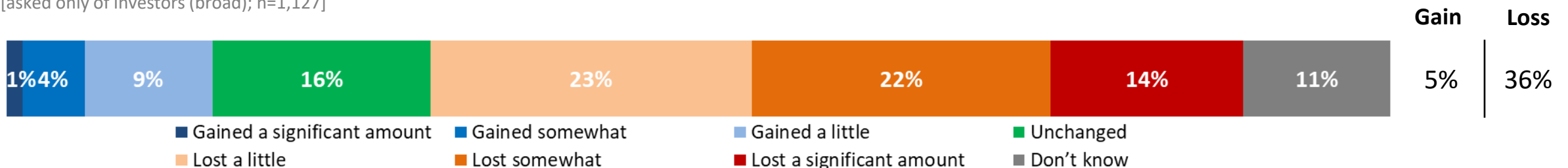
## Investing More or Less (Securities)

**Q** Thinking about [all of your investment account/investments in your RRSPs, as well as any other investment accounts], do you expect to invest more or less money in securities like stocks, bonds, or mutual funds this year than you did last year?  
[asked only of securities investors; n=929]



## Portfolio Value Change

**Q** To the best of your recollection, do you believe that your investment portfolio has gained value or lost value since the onset of COVID-19?  
[asked only of investors (broad); n=1,127]



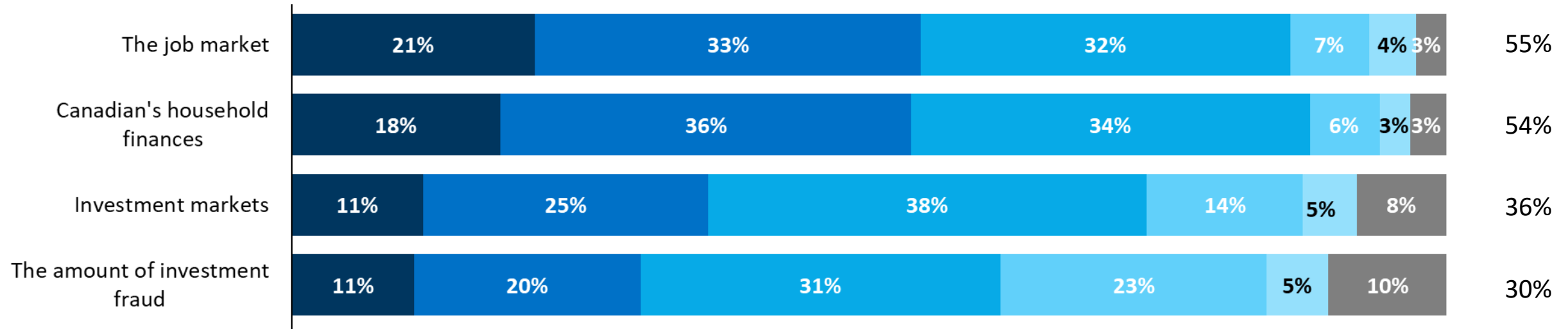
# BC'ers are more concerned household finances (54%) and the job market (55%) than investments (36%) or investment fraud (30%)

Q

The COVID-19 outbreak has had a wide range of impacts in Canada. Thinking specifically about household finances and the economy, how concerned are you about the impacts of the COVID-19 outbreak in Canada on each of the following?

[asked of all respondents; n=1,500]

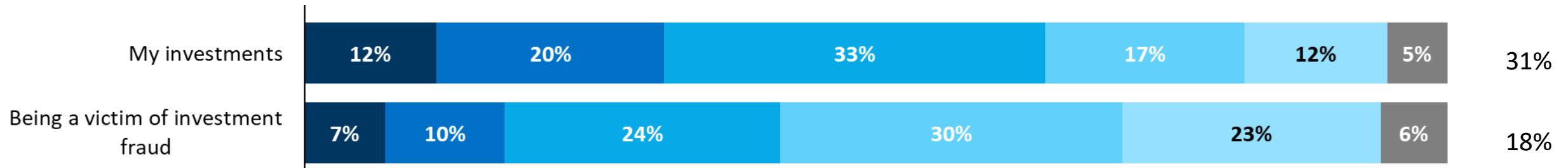
% Extremely/  
Very Concerned



Q

And how concerned are you about the impacts of the COVID-19 outbreak for you personally on each of the following?

[asked of all respondents; n=1,500]



Extremely concerned

Very concerned

Somewhat concerned

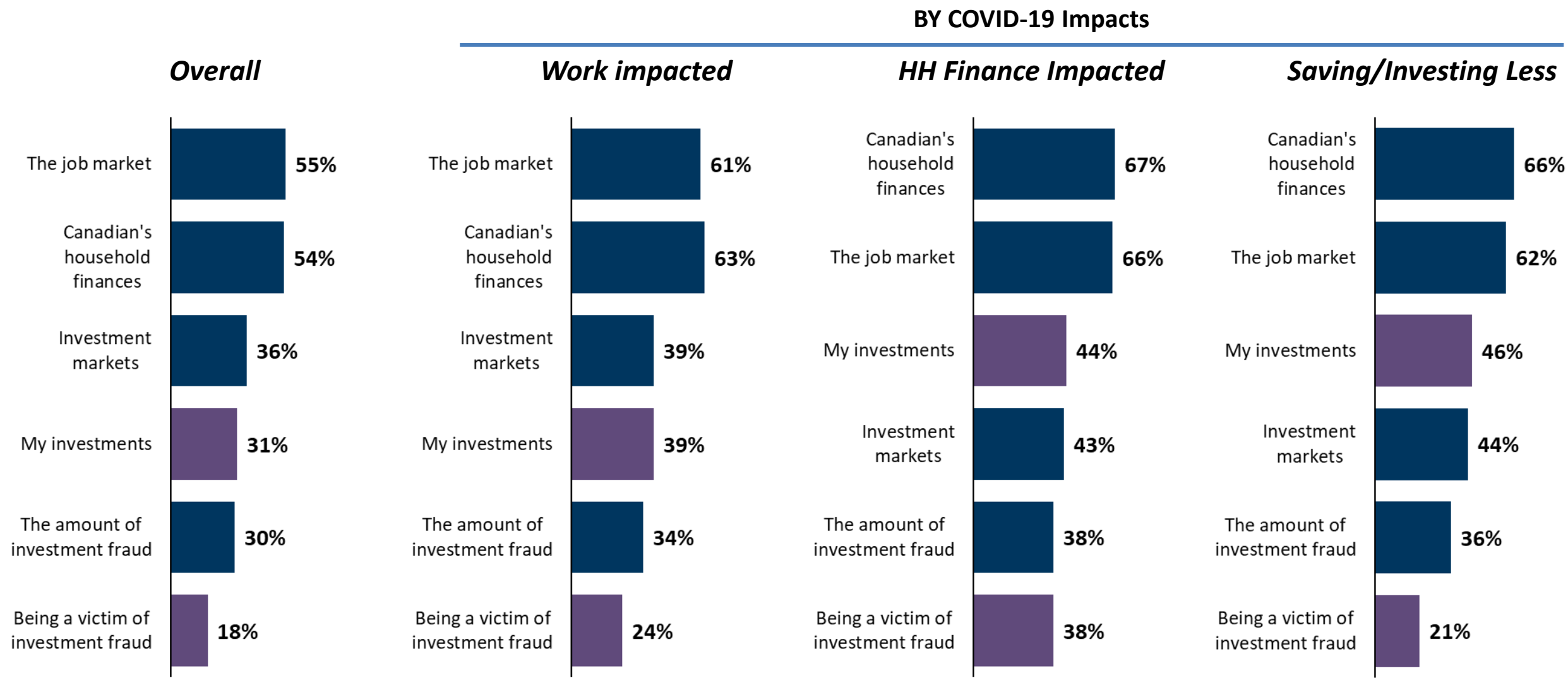
Not very concerned

Not concerned at all

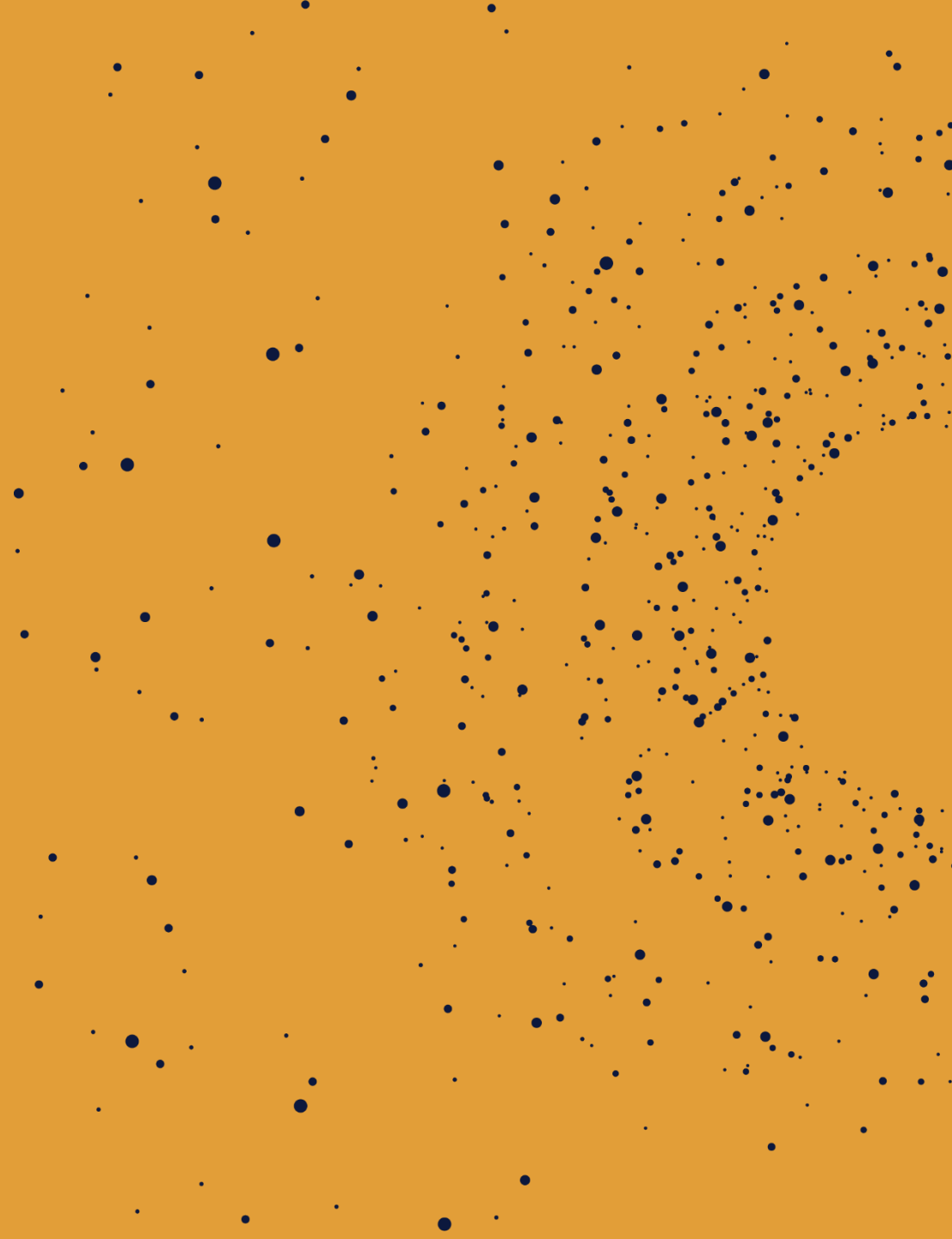
Don't know

# Concern About Impacts: Highest among those effected; especially personal concern about ‘My investments’

Concerns about COVID-19 Financial Impacts: % *Extremely/Very Concerned*



# **Key Findings:** Key Attitudes and Behaviours

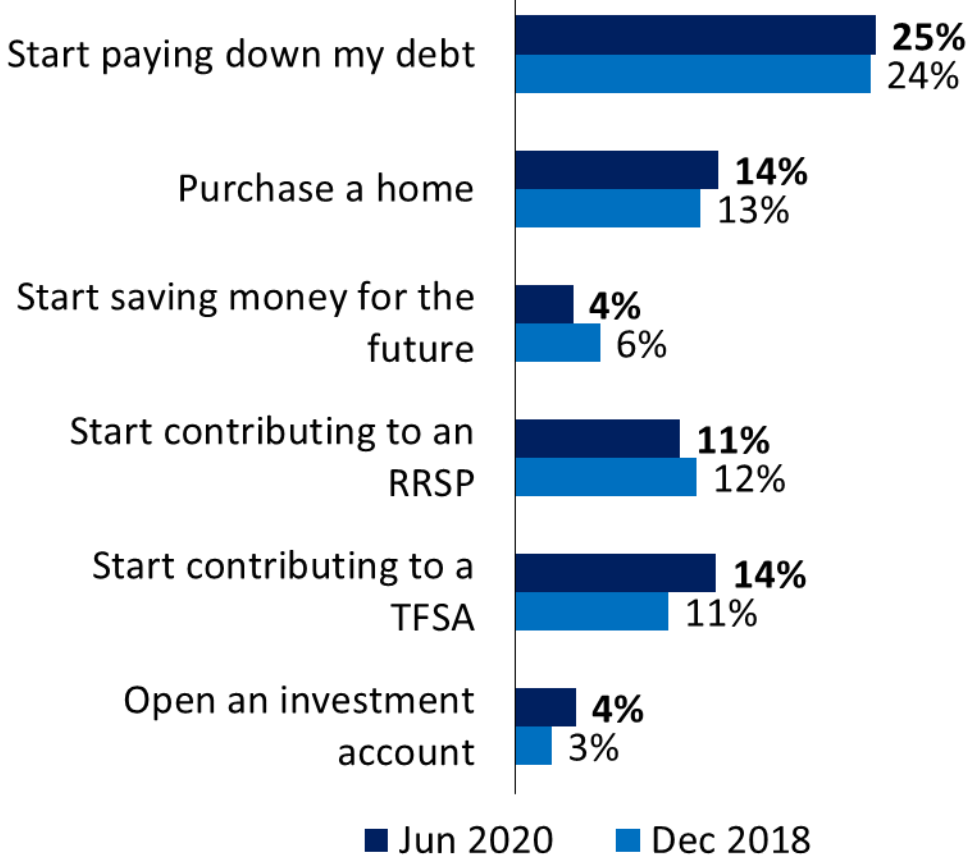


# Plans for the future and saving goals are very similar to 2018 results.

## On goals: retirement, vacation, and home ownership are up slightly.

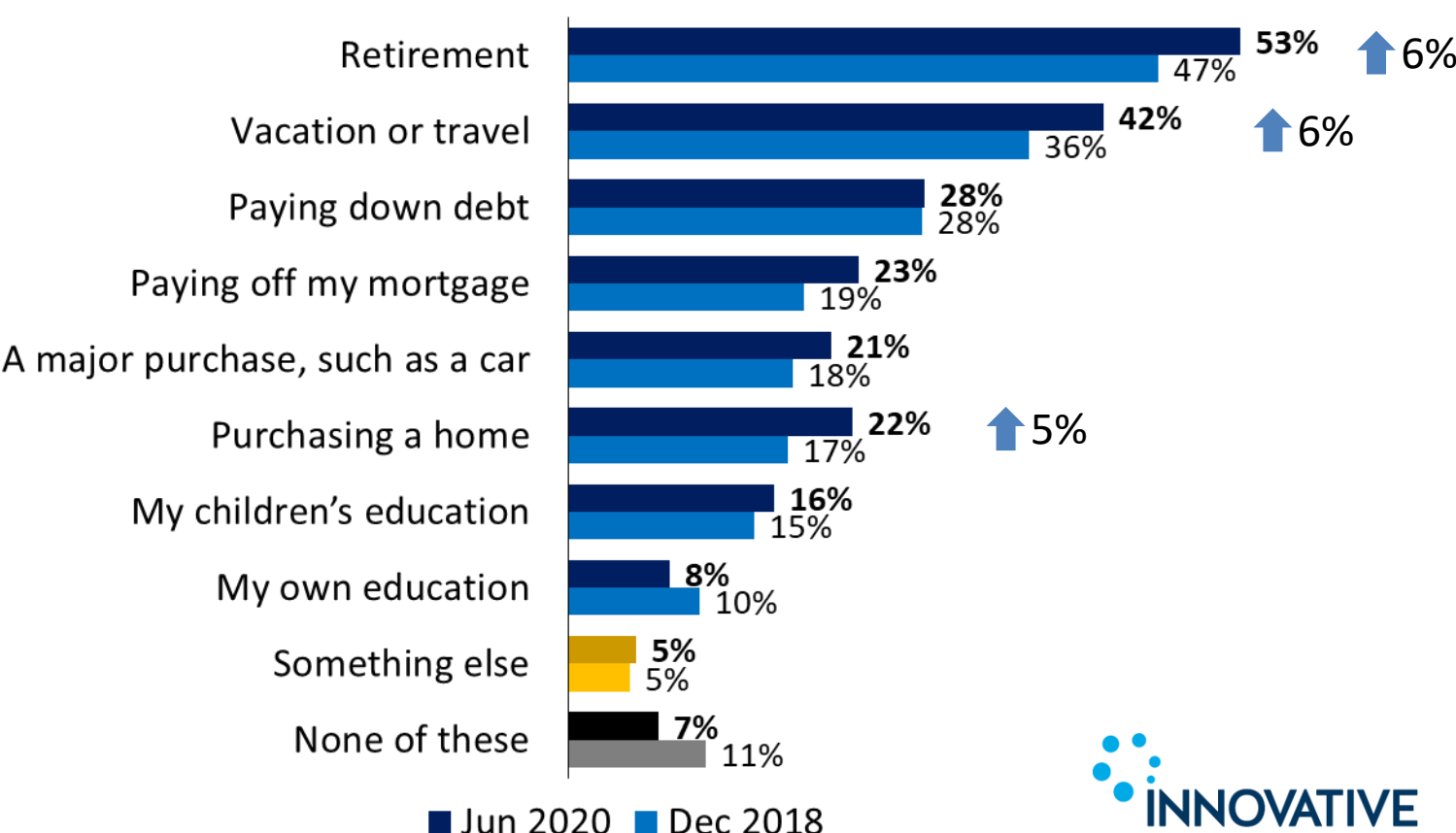
### Future Plans

**Q** Even though you may not right now, are you planning to do any of the following in the next 5 years? Please select all that apply.  
[asked of those who do not already do the following things (multiple mention); results shown among all respondents; n=1,500]



### Savings Goals

**Q** Thinking about the savings and investments you have set aside for the future, what goals are you currently working towards? Please select all that apply.  
[asked of those who have savings or are currently saving; multiple mention; n=1,381]





# Plans in the Next 5 Years: Plans to open any investment account are up<sup>9</sup> among non-investors while steady among investors

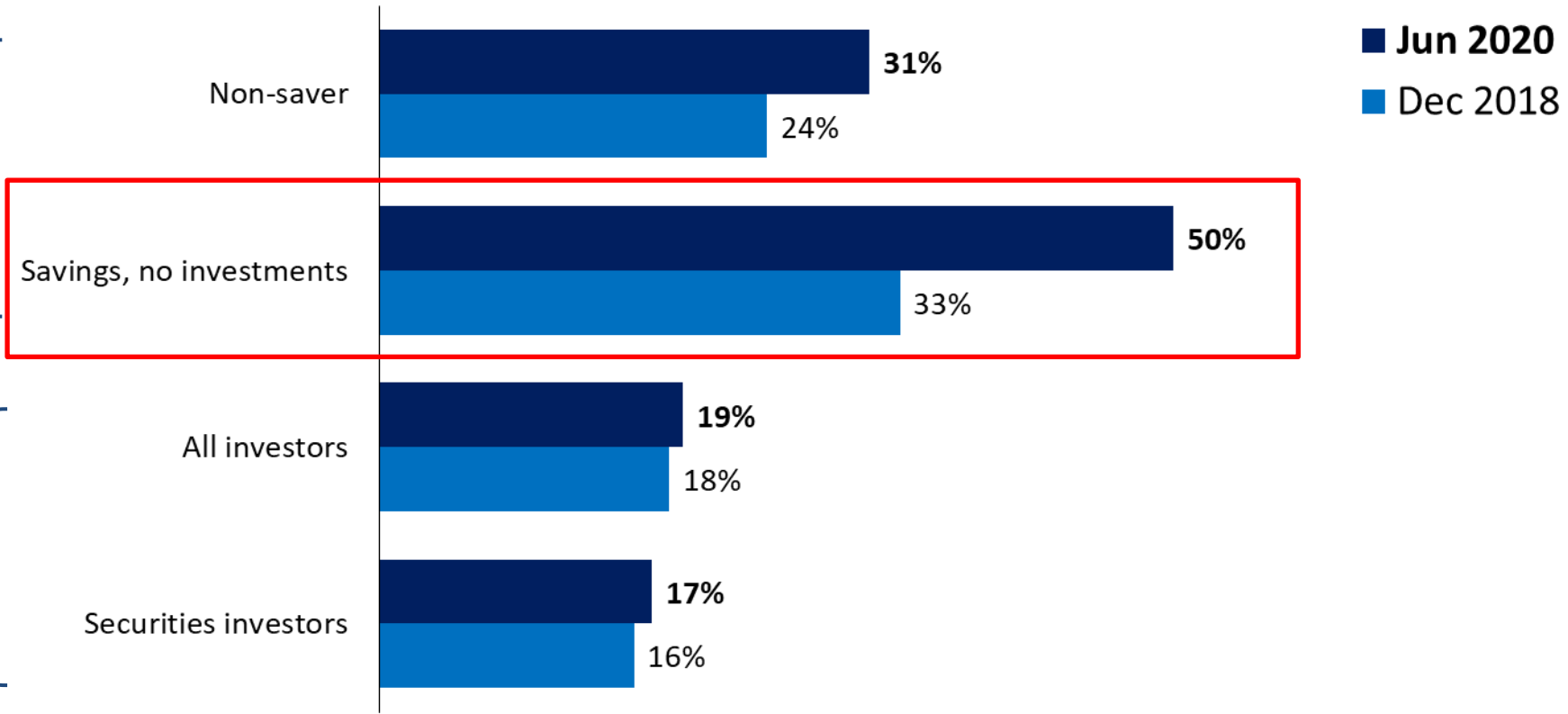


Even though you may not right now, are you planning to do any of the following in the next 5 years? Please select all that apply.  
[asked of those who do not already do the following things (multiple mention); results shown among all respondents]

*% Planning to open a new investment account*

For **non-savers** and **savers with no investments**, this is the % who say they will specifically open an RRSP or TFSA; or generally open “an investment account”

For **investors**, this is the % don’t already have an RRSP or TFSA and say they’re planning to open an RRSP or TFSA



Note: % of total sample shown above for each group.

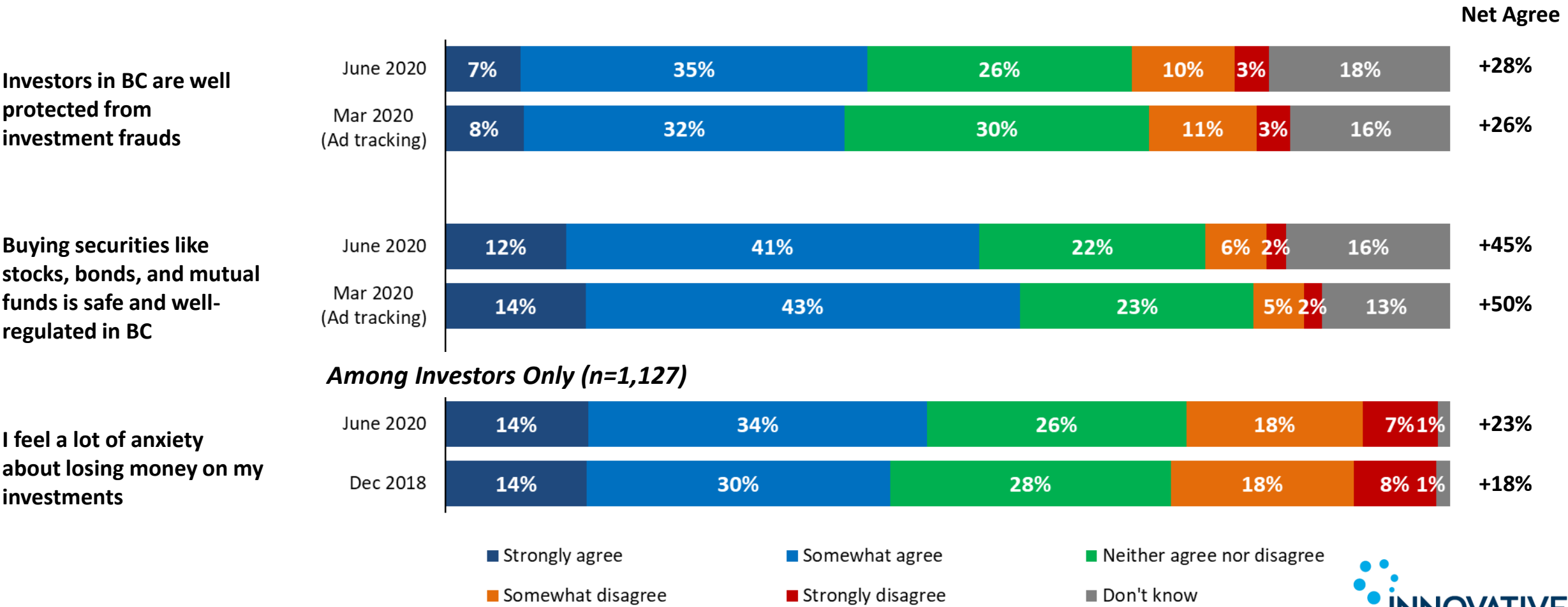


Note: December 2018 tracking is from BCSC.45 National Study (showing results for BC only)

# Most key attitudes are stable from past tracking; including key market attitudes and anxiety about losing money on investments<sup>10</sup>



Do you agree or disagree with the following statements?  
[asked of all respondents; n=1,500]



Note: December 2018 tracking is from BCSC.45 National Study (showing results for BC only)

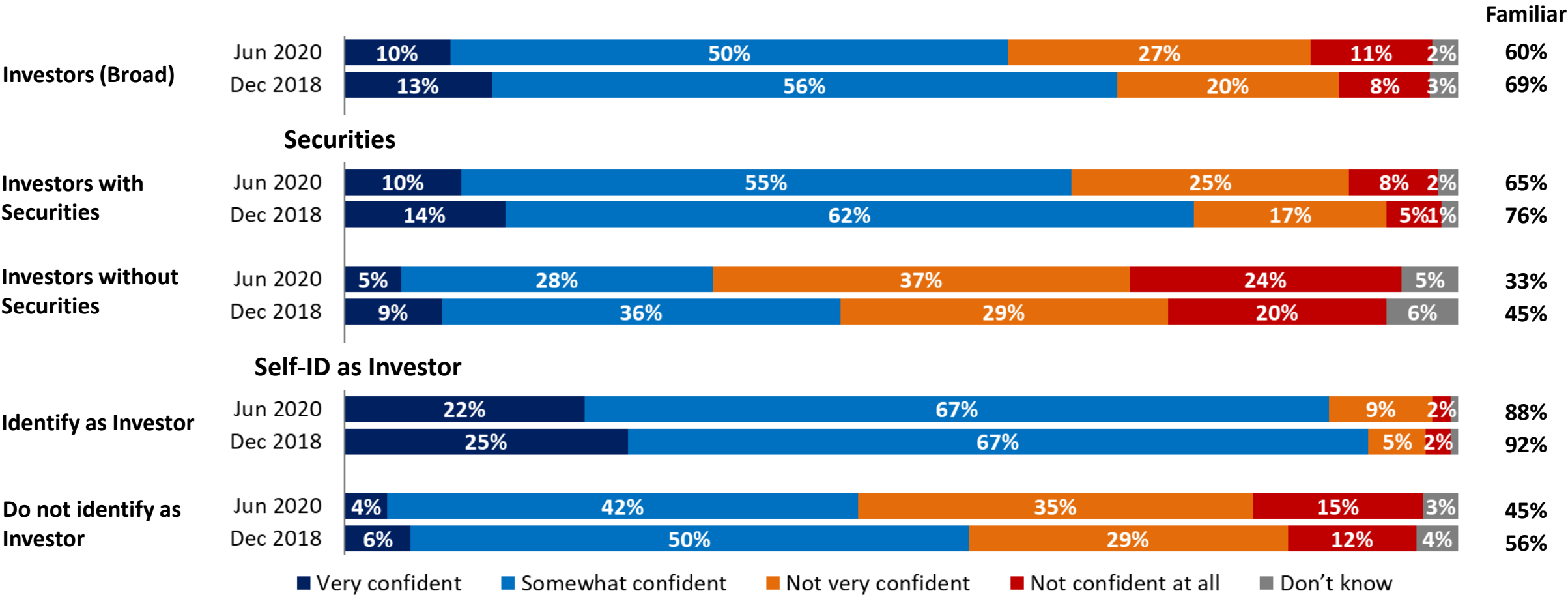
# But, confidence in investing is down among all investor types. Overall decrease is 9%; those who self-ID as an investor are most stable (-4%).<sup>11</sup>



How familiar are you with investing concepts like risk, return, compound interest, or volatility?

Tracking BY Investor Type

[asked of investors only; n=1,127]



# Methodology & Demographics

# Methodology and Sample Distribution



These are the results of an online survey conducted between June 22<sup>nd</sup> and June 26<sup>th</sup>, 2020.

**Method:** This online survey was conducted using INNOVATIVE's Canada 20/20 national research panel with additional respondents from Lucid and Dynata, leading providers of online sample. Each survey is administered to a series of randomly selected samples from the panel and weighted to ensure that the overall sample's composition reflects that of the actual BC population according to Census data to provide results that are intended to approximate a probability sample.

**Sample Size:** n=1,582 British Columbia residents, 18 years or older. The results are weighted to n=1,500 based on Census data from Statistics Canada.

**Field Dates:** June 22<sup>nd</sup> to June 26<sup>th</sup>, 2020

**Weighting:** Results for British Columbia are weighted by age, gender, and region to ensure that the overall sample's composition reflects that of the actual population according to Census data; in order to provide results that are intended to approximate a probability sample. Weighted and unweighted frequencies are reported in the table.

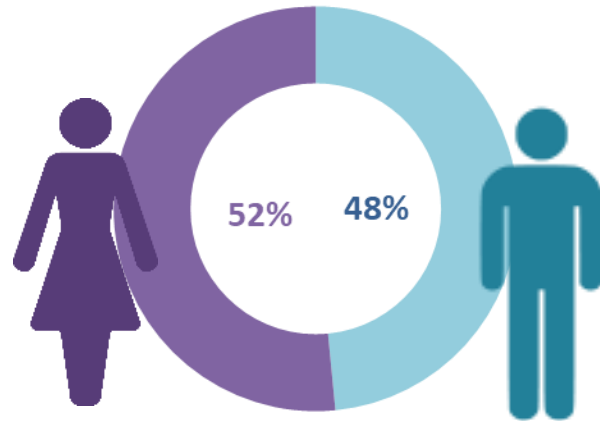
**Margin of Error:** This is a representative sample. However, since the online survey was not a random probability based sample, a margin of error cannot be calculated. Statements about margins of sampling error or population estimates do not apply to most online panels.

**Note:** Graphs may not always total 100% due to rounding values rather than any error in data. Sums are added before rounding numbers.

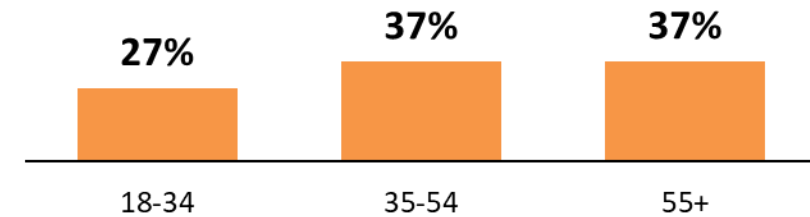
	Unweighted (n)	Unweighted (%)	Weighted (n)	Weighted (%)
<b>Men 18-34</b>	169	10.7%	202	13.4%
<b>Men 35-54</b>	248	15.7%	265	17.7%
<b>Men 55+</b>	318	20.1%	260	17.3%
<b>Women 18-34</b>	217	13.7%	201	13.4%
<b>Women 35-54</b>	287	18.1%	283	18.8%
<b>Women 55+</b>	343	21.7%	289	19.3%
<b>Lower Mainland &amp; Fraser Valley</b>	934	59.0%	890	59.4%
<b>Vancouver Island &amp; Sunshine Coast</b>	301	19.0%	253	16.9%
<b>Interior and North</b>	347	21.9%	356	23.7%

# Respondent Profile: Demographics

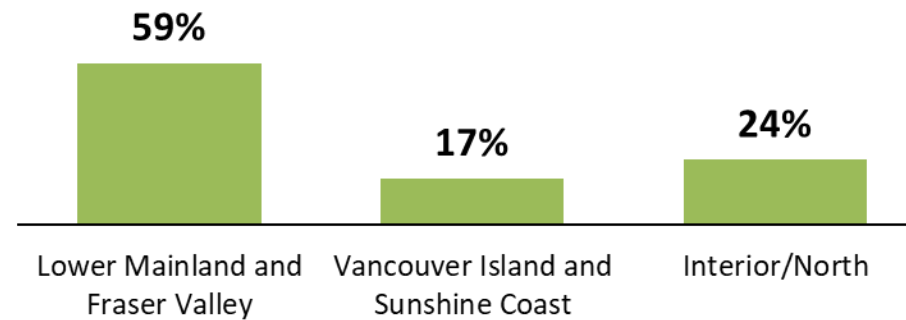
## Gender



## Age

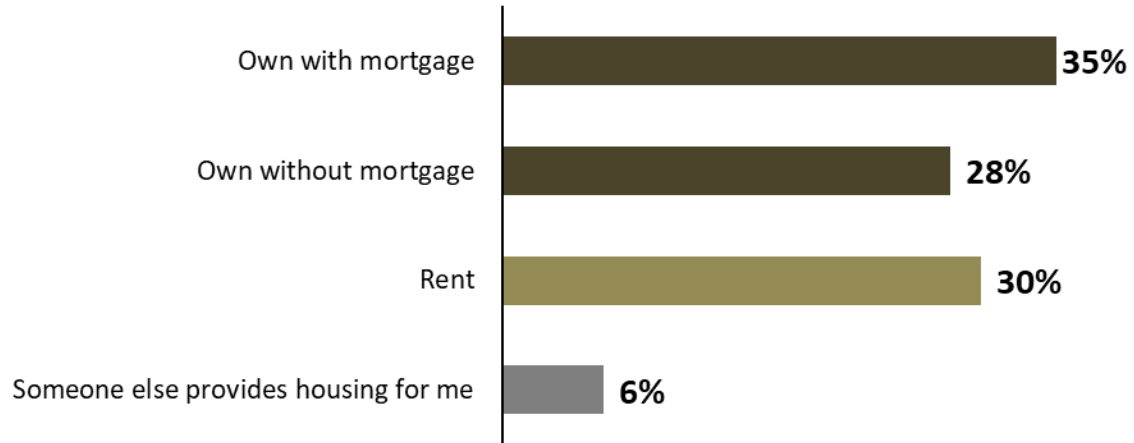


## Region



# Respondent Profile: Demographics

## Own/Rent Home

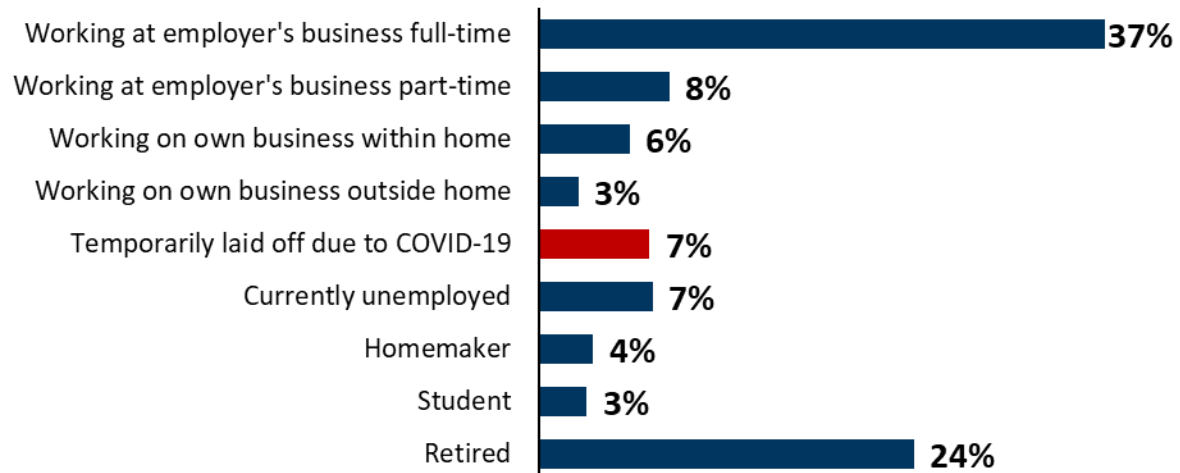


## Portfolio Size of Investors with Securities (Among Securities Investors)



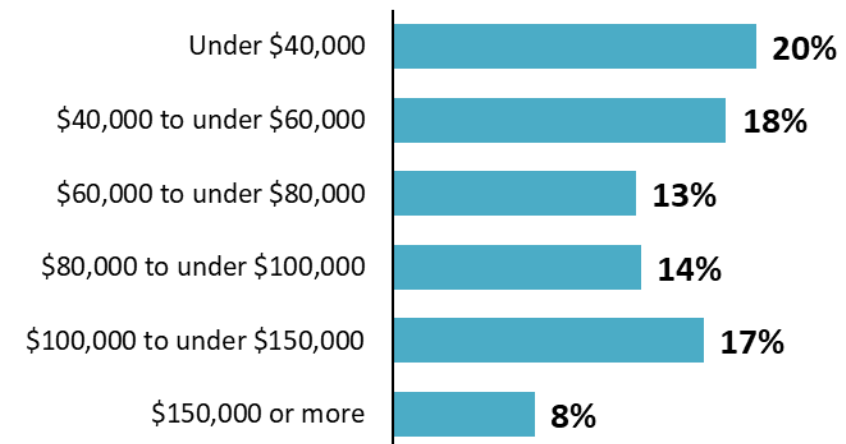
Note: "Prefer not to say" (7%) and "Don't know" (3%) not shown.

## Employment Status



Note: "Don't know" (1%) not shown.

## Household Income



Note: "Prefer not to say" (10%) not shown.

# Investor Profile



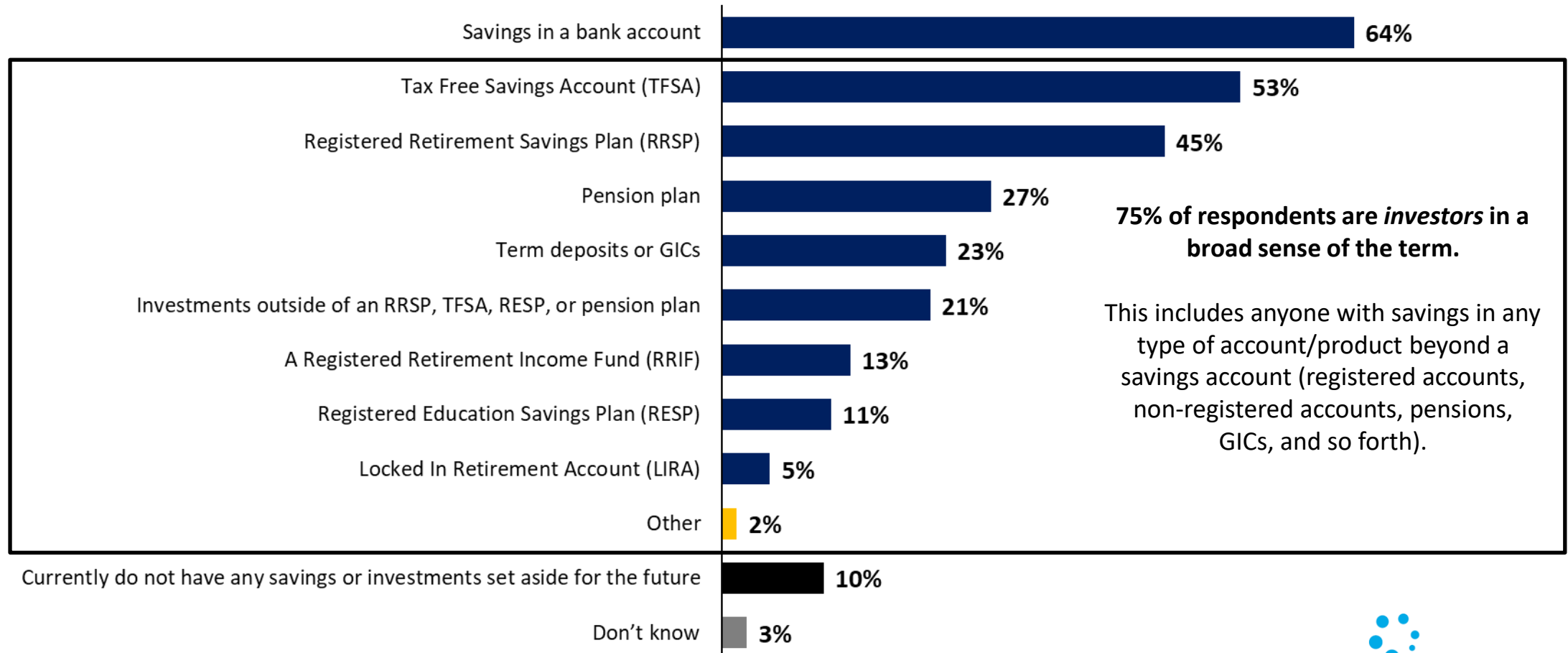
# Savings and Investments: 3-in-4 (75%) respondents report having savings set aside in an investment account, most commonly a TFSA (53%)



Do you personally have any savings or investments set aside for the future in any of the following types of account?

**Please select all that apply.**

[asked of all respondents; n=1,500]



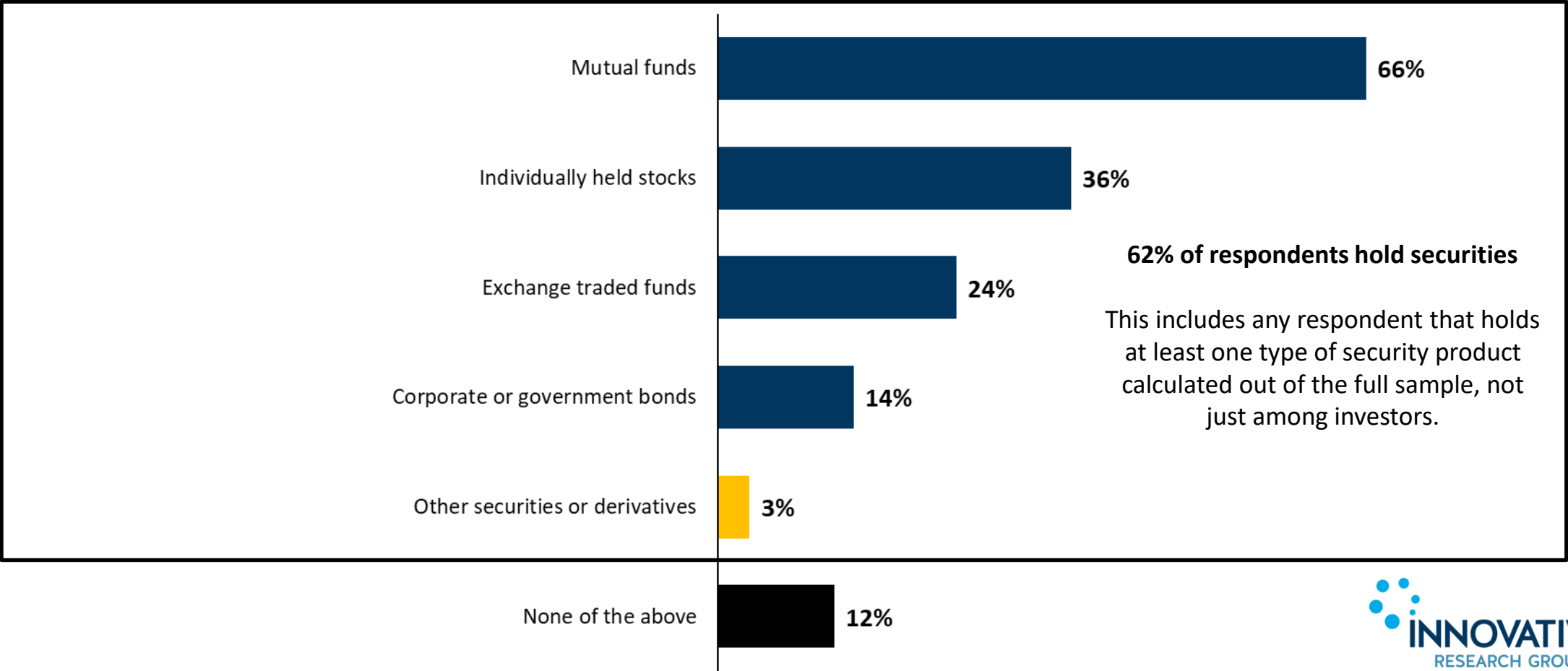
# Investments Products: 3-in-5 (62%) respondents overall report holding securities; among investors, mutual funds are most common (66%)<sup>18</sup>



You indicated that you have at least one type of account that could hold investment products. Which of the following kinds of investment products do you hold? **Please select all that apply.**

[asked of all those who report having a type of account that could hold investment products; n=1,052]

## *Among investors who report having a type of account that could hold investment products*



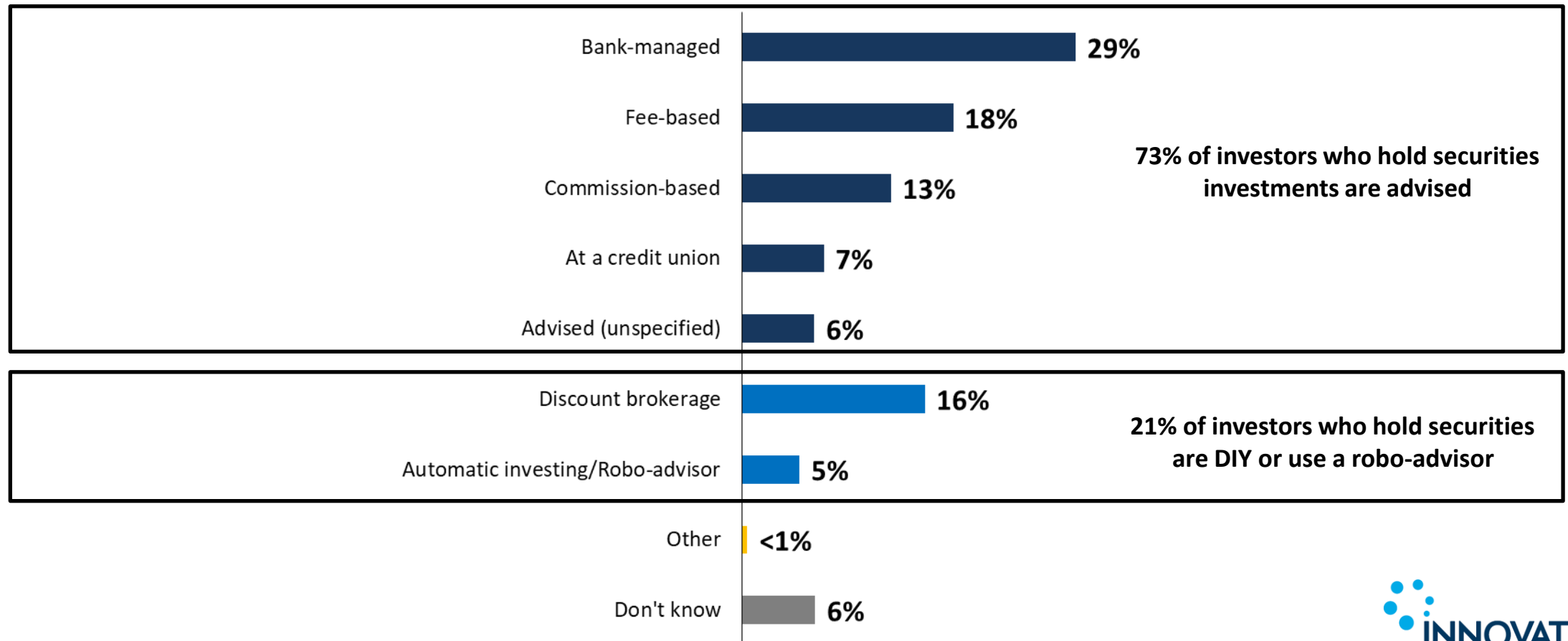
# Investments Products: Among securities investors, 3-in-4 (73%) are advised while 1-in-5 (21%) are DIY



Which one of the following best describes your primary investment account?

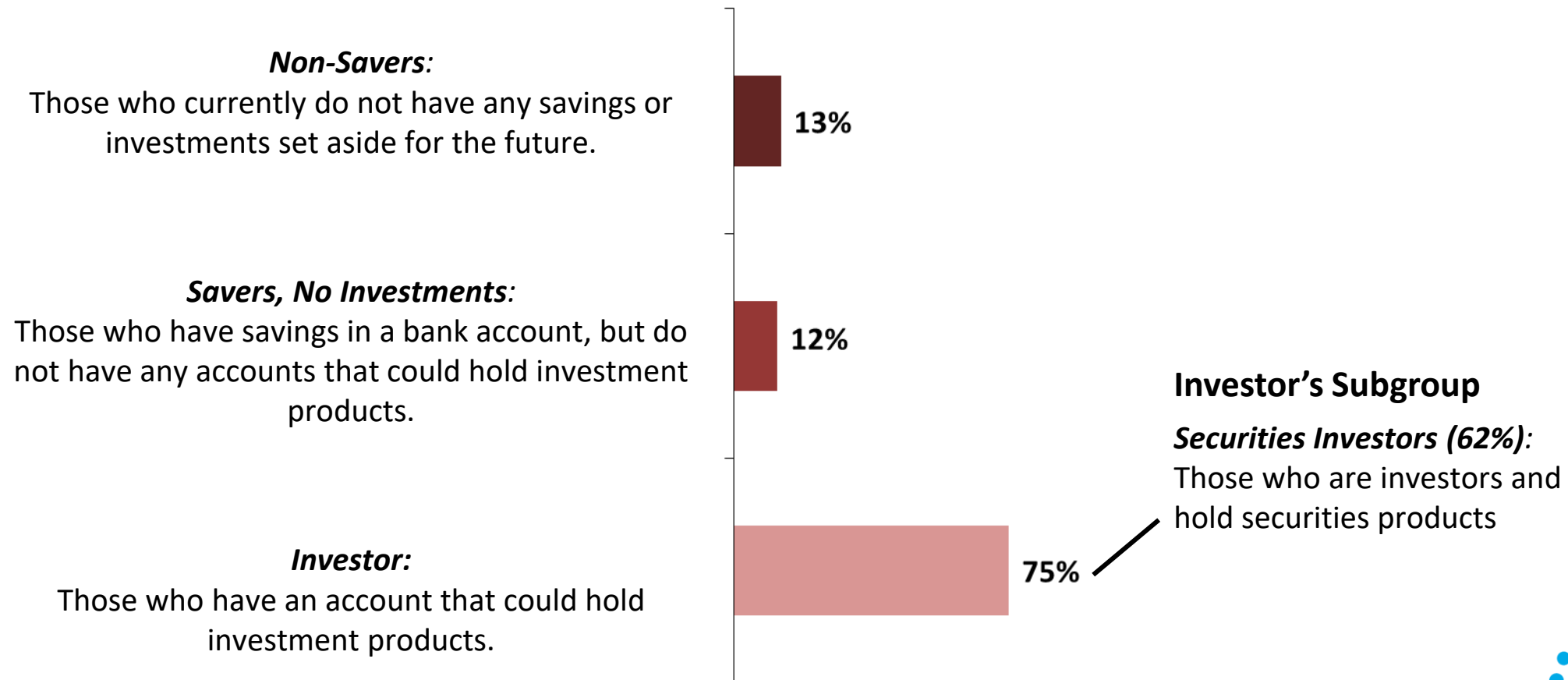
[asked of all those who report having securities; n=929]

## Among investors with securities



# Investor Types: A large majority of respondents are investors broadly (75%) while only 13% are non-savers

Based on respondent's answers to questions about the types of savings and investment products they have, we grouped respondents into four key investor types for analysis.



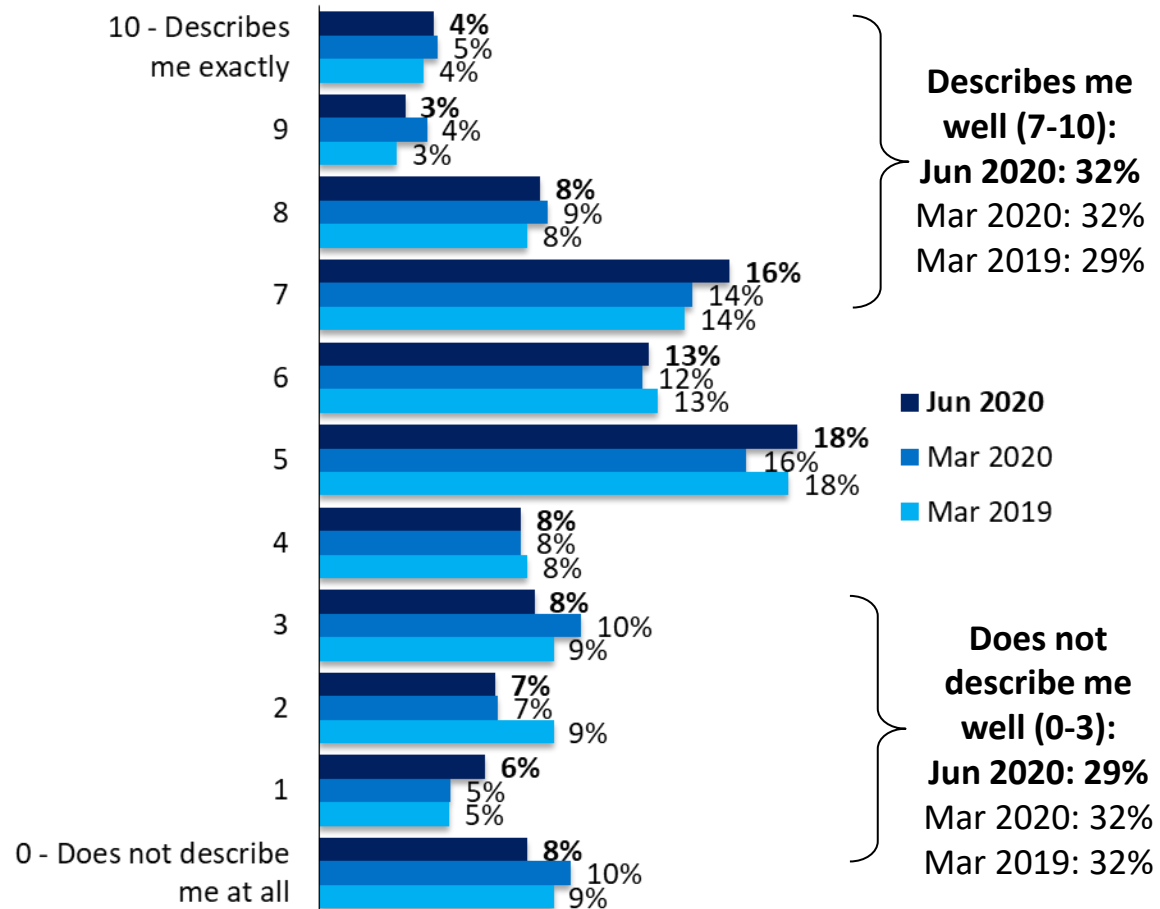
# Self-Identification: Those saying the word 'Investor' describes them well (27% overall) is steady since before the outbreak in March



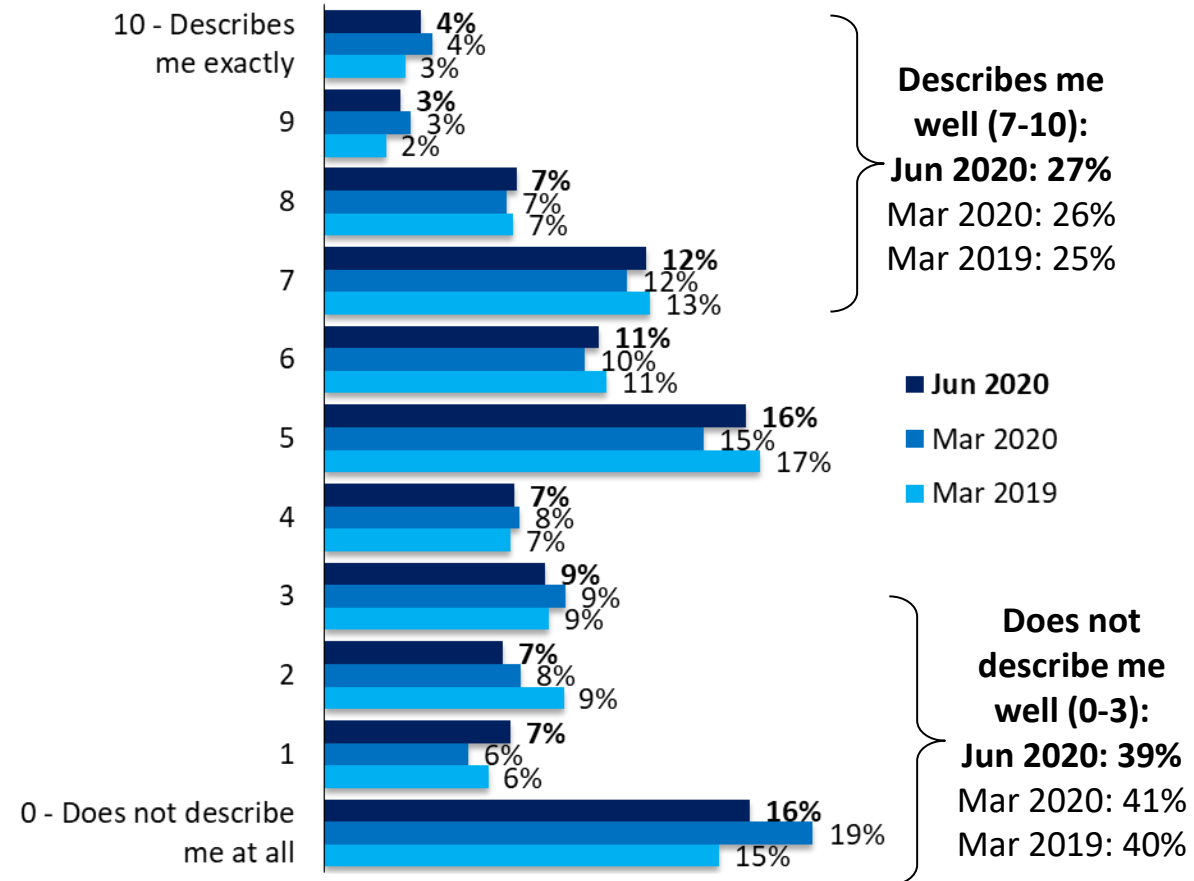
How well does the word *Investor* describe you? Please use a scale between zero to ten where ten is *Describes you exactly* and zero is *Does not describe you at all*.

[asked of all respondents; n=1,500]

## Among Investors (broad) (n=1,127)



## Among All Respondents



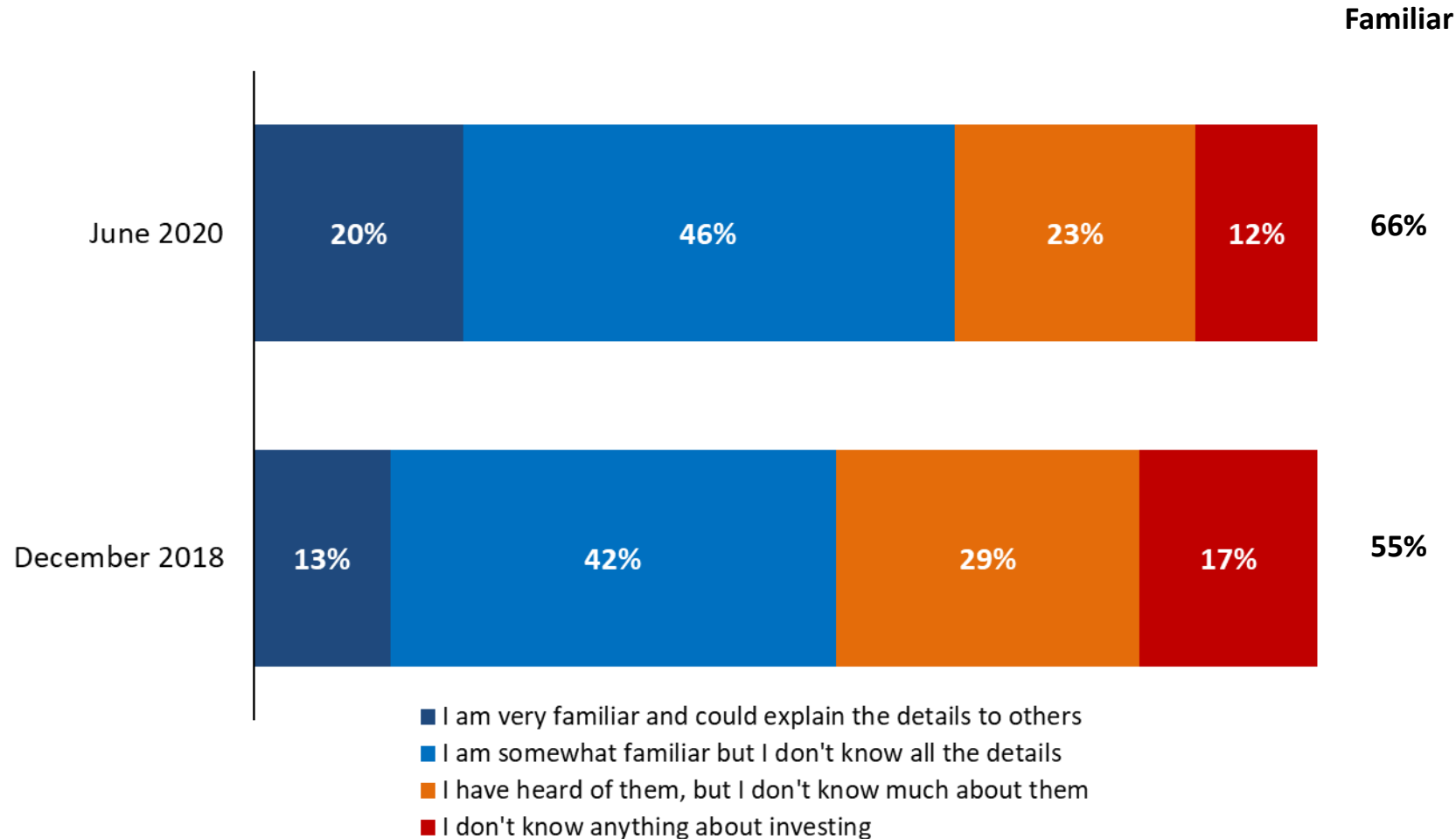
# Investment Knowledge and Confidence

# Investing Familiarity: Those saying they're familiar up 11 points since 2018; familiarity highest among self-identified investors (92%)



How familiar are you with investing concepts like risk, return, compound interest, or volatility?

[asked of all respondents; n=1,500]



## Segmentation

*Respondents who say "Familiar"*

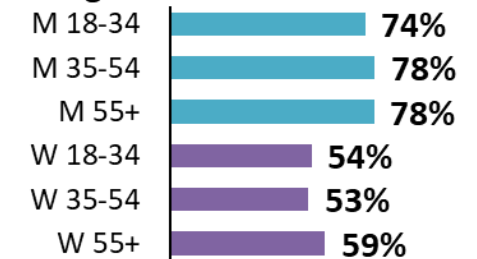
### Investor Type



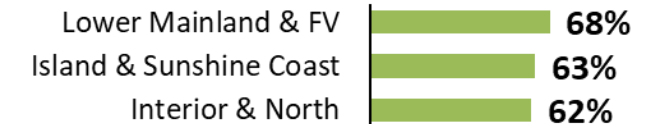
### Self-Identify as Investor



### Age-Gender



### Region



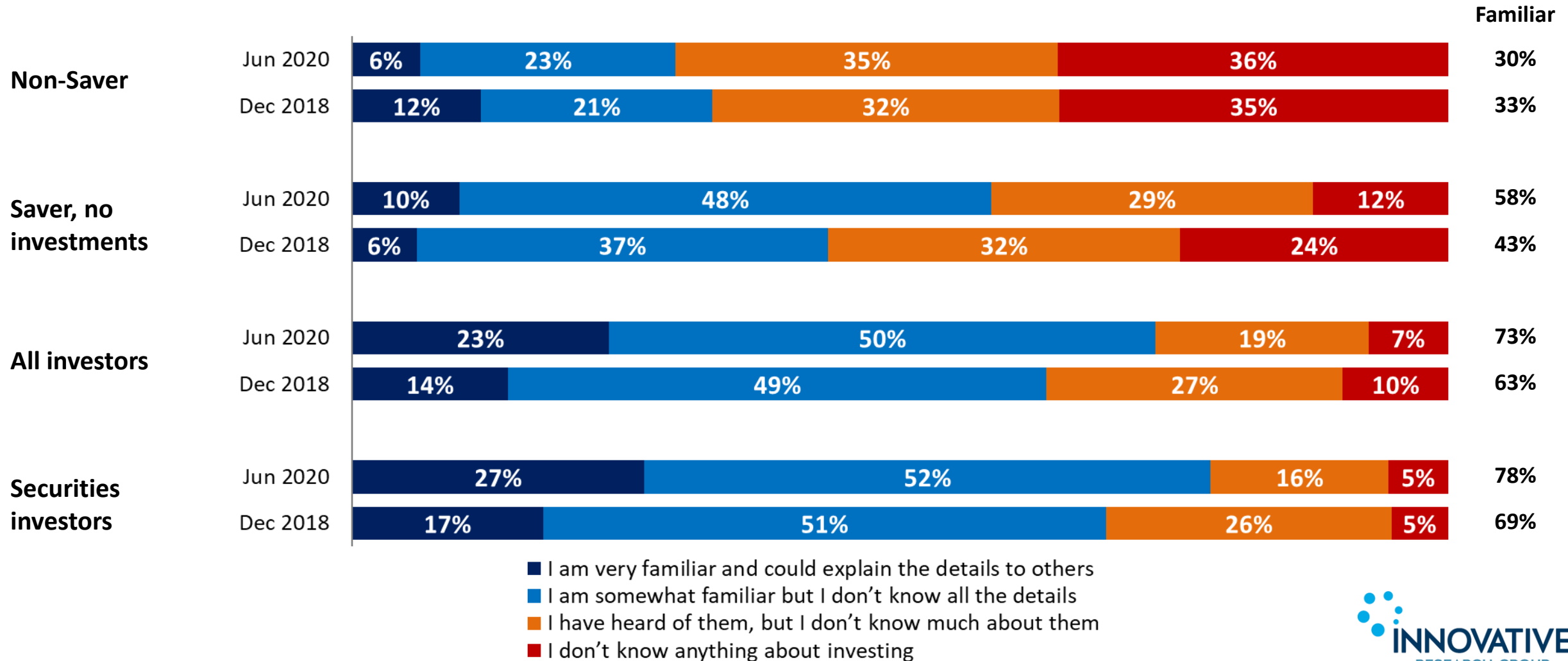
# Investing Familiarity: Familiarity with investing is up across all groups except for non-savers, who are down 3-pts directionally to 30% familiar



How familiar are you with investing concepts like risk, return, compound interest, or volatility?

Tracking BY Investor Type

[asked of all respondents; n=1,500]

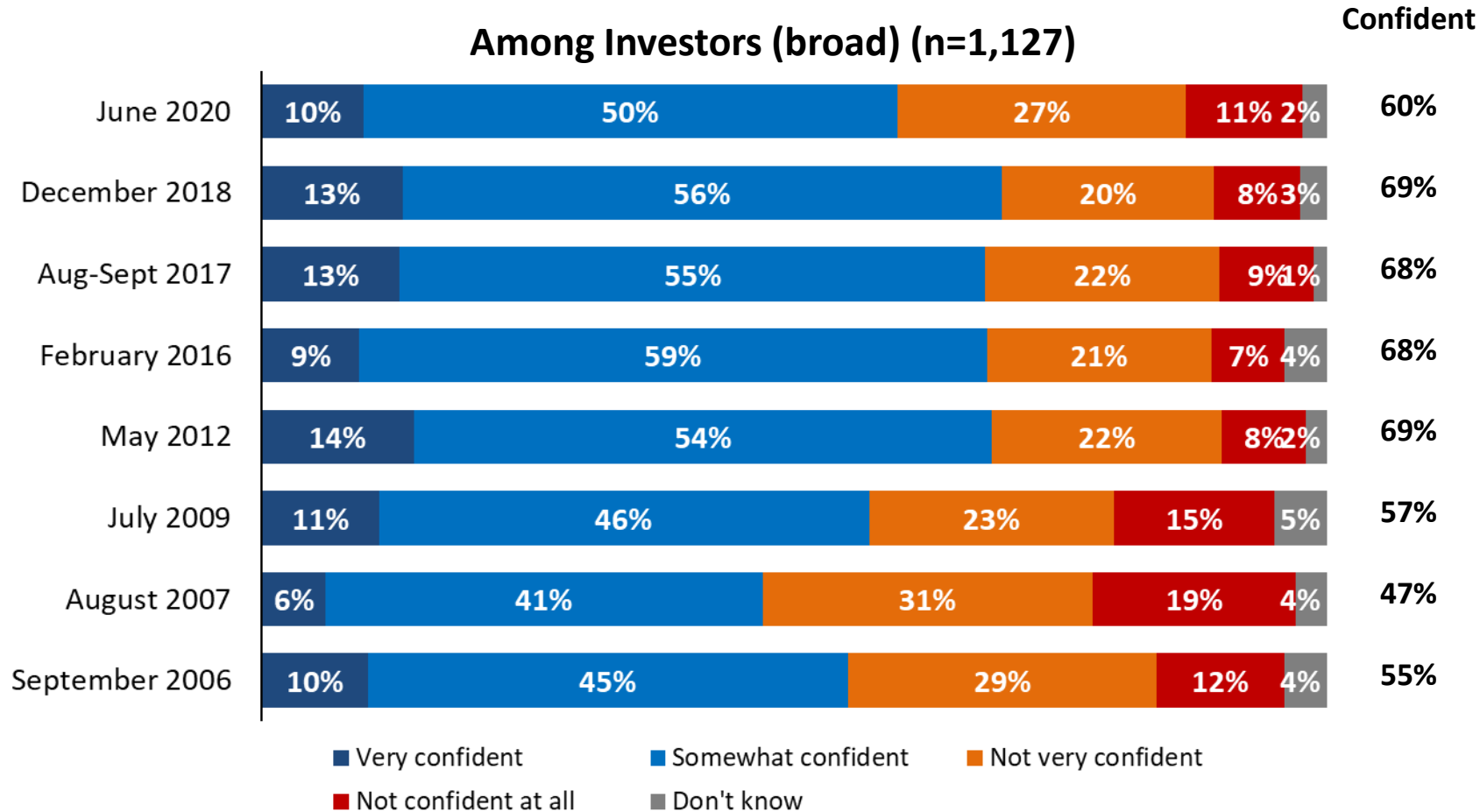




# Investing Confidence: Investors saying they are confident in making investment decisions down 9-pts since 2018 to 6-in-10 (60%)

**Q** How confident are you when it comes to making investment decisions?  
[asked of investors only; n=1,127]

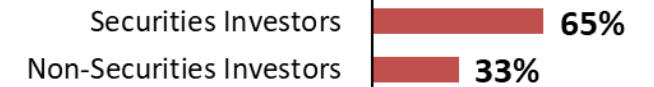
## Among Investors (broad) (n=1,127)



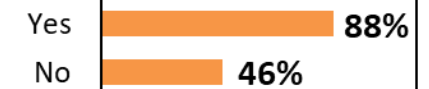
## Segmentation

*Respondents who say "Confident"*

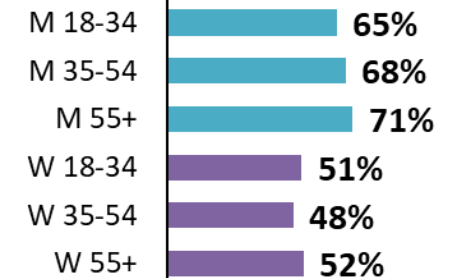
### Securities Investor



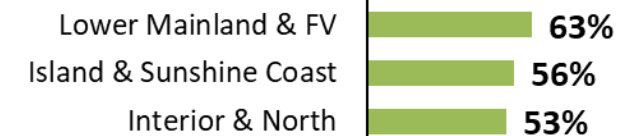
### Self-Identify as Investor



### Age-Gender



### Region

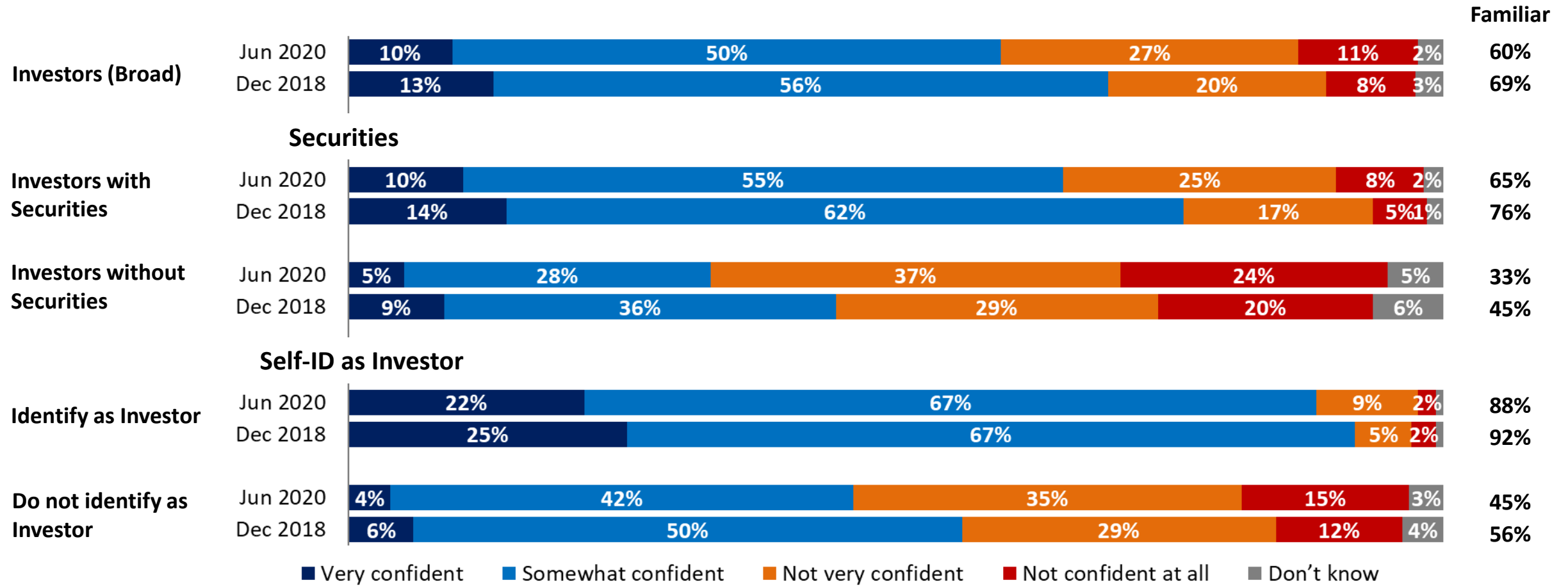


# Investing Confidence: Confidence in investing is down among all investor types; average decrease in confidence is 9% across all groups



How confident are you when it comes to making investment decisions? BY Securities and Self-ID

[asked of investors only; n=1,127]



# Anxiety and Enjoyment

# Anxiety and Enjoyment: Net agreement on liking to talk to friends/family about investing up 15-pts since 2018



Do you agree or disagree with the following statements?

[asked only of investors; n=1,127]

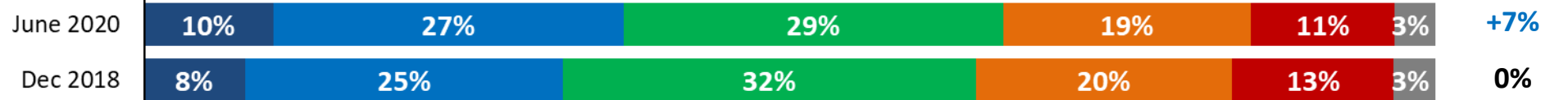
## Among Investors (broad) (n=1,127)

Net Agree

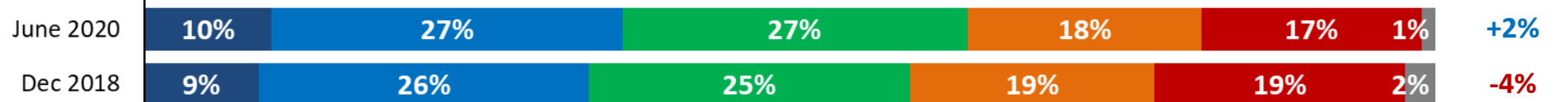
**I feel a lot of anxiety about losing money on my investments**



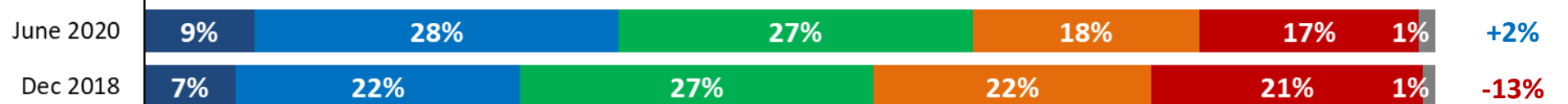
**Managing my investments feels like a chore**



**I enjoy doing research about investments**



**I like to talk to my friends and family about investing**



Strongly agree

Somewhat agree

Neither agree nor disagree

Somewhat disagree

Strongly disagree

Don't know

# Anxiety and Enjoyment: Non-securities investors and younger women most likely to say they feel anxiety about losing money



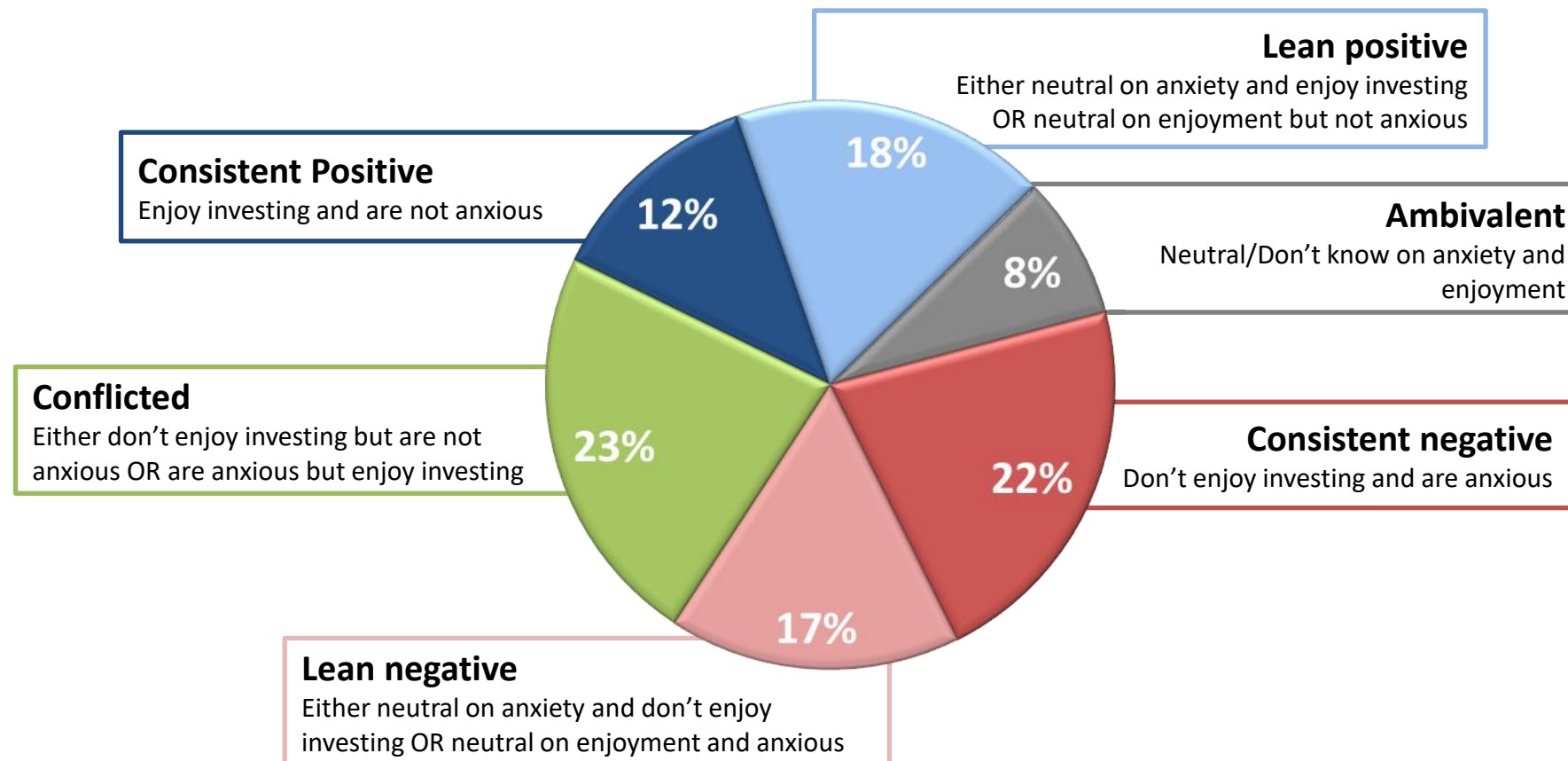
Do you agree or disagree with the following statements? BY Investor Type, Self-Identification, Age-Gender, and Region

[asked only of investors; n=1,127]

Net Agree (%)		Securities Investor		Self-Identify as an Investor		Age-Gender						Region		
		Securities Investor	Non-Securities Investor	Yes	No	M 18-34	M 35-54	M 55+	W 18-34	W 35-54	W 55+	Lower Mainland & FV	Van. Island/ Sunshine Coast	Interior/ North
Anxiety Indicators	I feel a lot of anxiety about losing money on my investments	+18%	+44%	+5%	+31%	+32%	+20%	+6%	+45%	+35%	+15%	+24%	+14%	+26%
	Managing my investments feels like a chore	+4%	+19%	-17%	+18%	+2%	+4%	-15%	+29%	+21%	+8%	+10%	+8%	-3%
Enjoyment Indicators	I enjoy doing research about investments	+7%	-20%	+46%	-19%	+40%	+21%	+2%	+11%	-18%	-27%	+8%	-12%	-5%
	I like to talk to my friends and family about investing	+7%	-19%	+36%	-13%	+35%	+22%	-12%	+30%	-3%	-32%	+12%	-17%	-9%

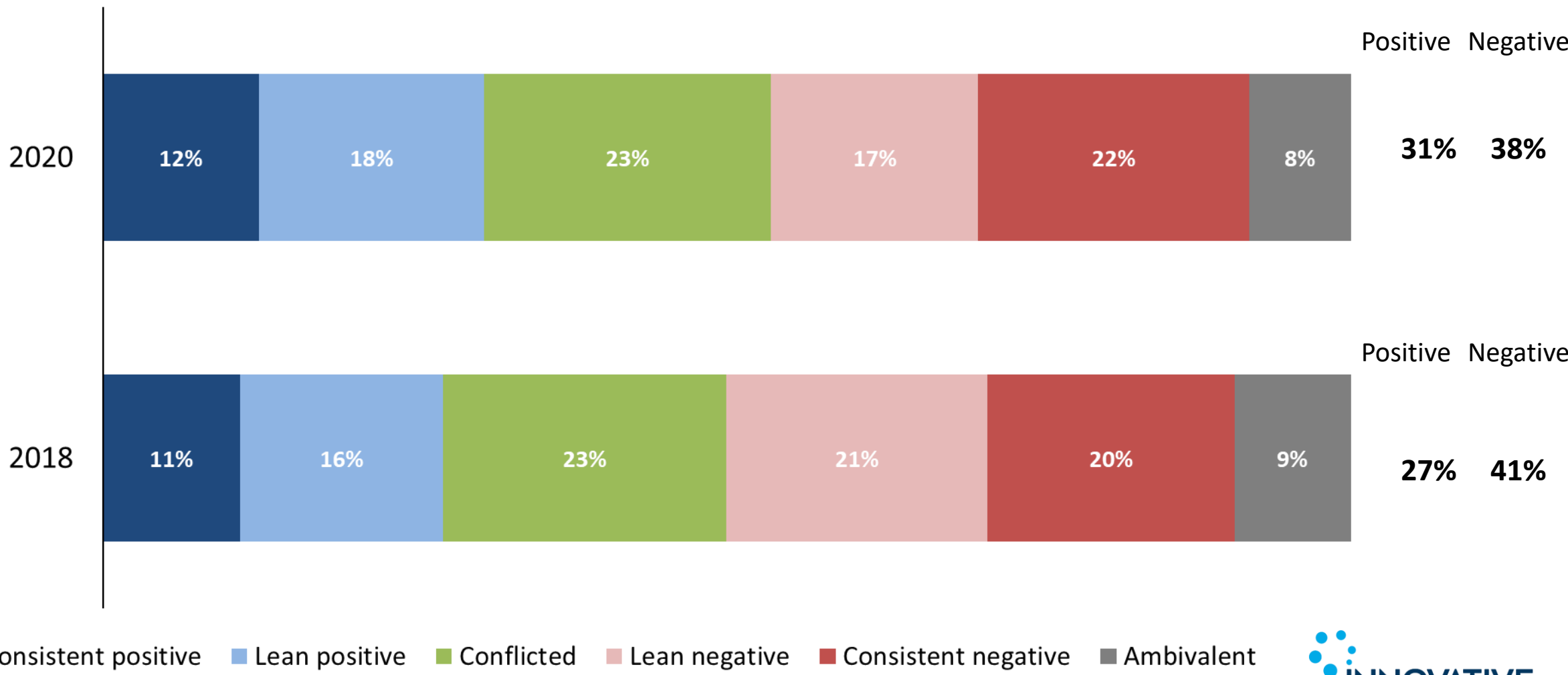
# Anxiety and Enjoyment: A plurality (38%) are either negative or lean negative towards investing while 31% are positive or lean positive

Based on their responses to the 2 questions on investing anxiety and 2 questions on enjoyment, we group respondents into one of 6 key groups. While overall responses are stable, this can disguise underlying changes in the pattern of responses. If attitudes have improved for some and worsened for others, more or fewer respondents could be conflicted than we have seen in the past. **As we will show on the next slide, this has not occurred.**



# Anxiety and Enjoyment: Positivity is up slightly since 2018 to 31% while negativity is down slightly to 38% but overall quite steady

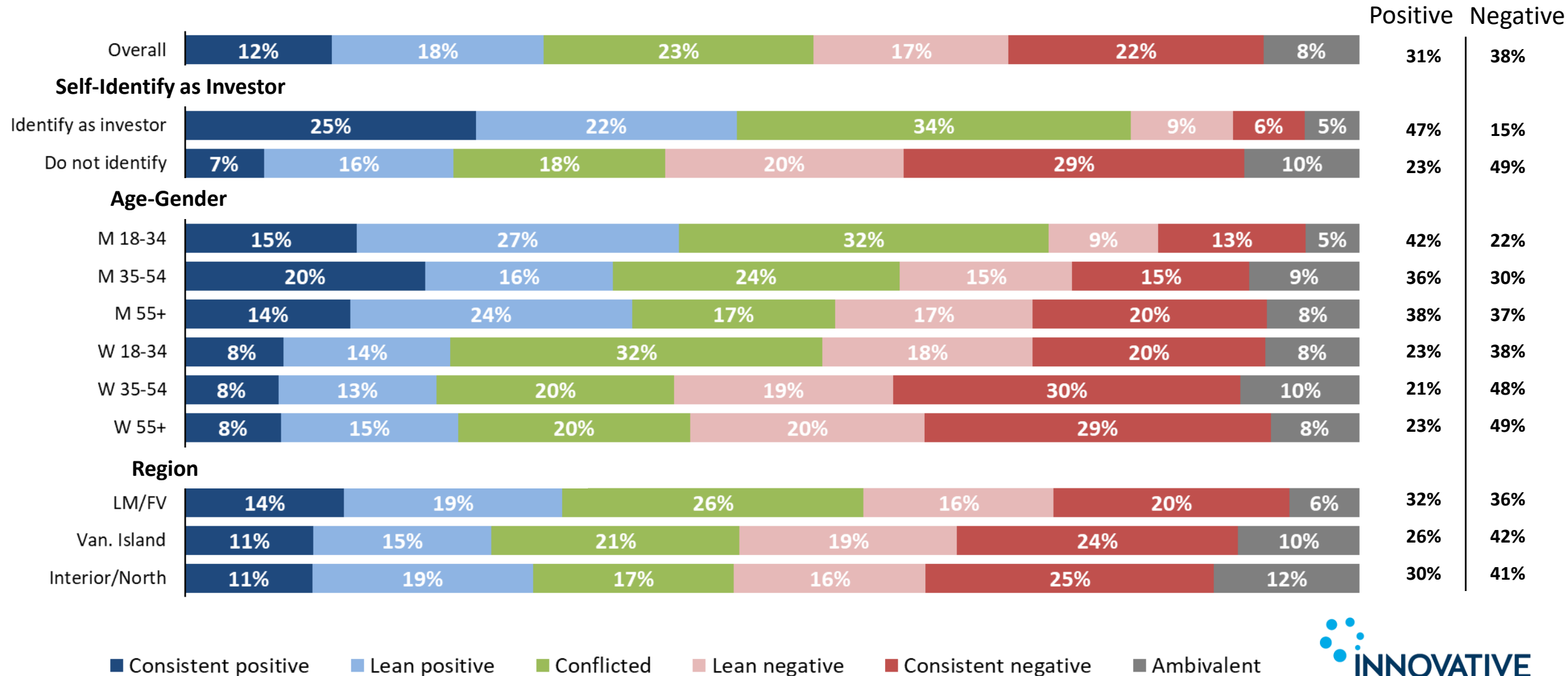
Anxiety/enjoyment segmentation tracking



Note: December 2018 tracking is from BCSC.45 National Study (showing results for BC only)

# Anxiety and Enjoyment: Women and those who don't self-identify as investors are more likely to have negative feelings towards investing

Anxiety/enjoyment segmentation BY Self-identification as Investor, Age-Gender, and Region





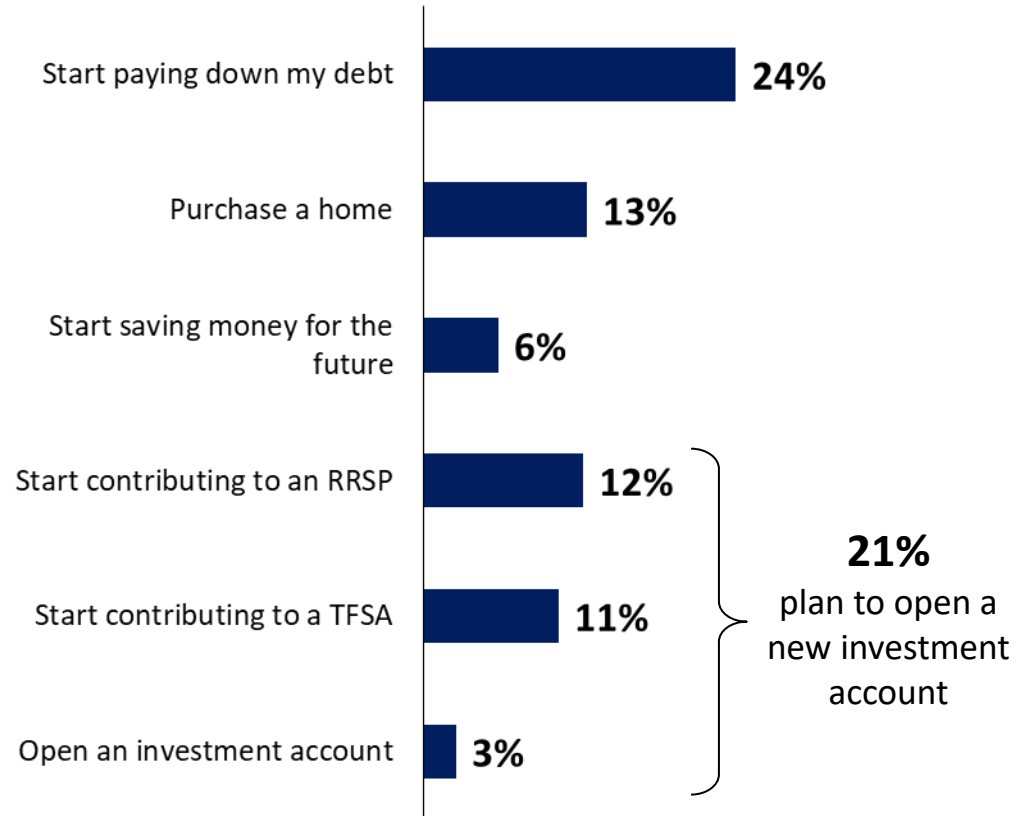
# Plans in the Next 5 Years: Financial plans are steady since 2018



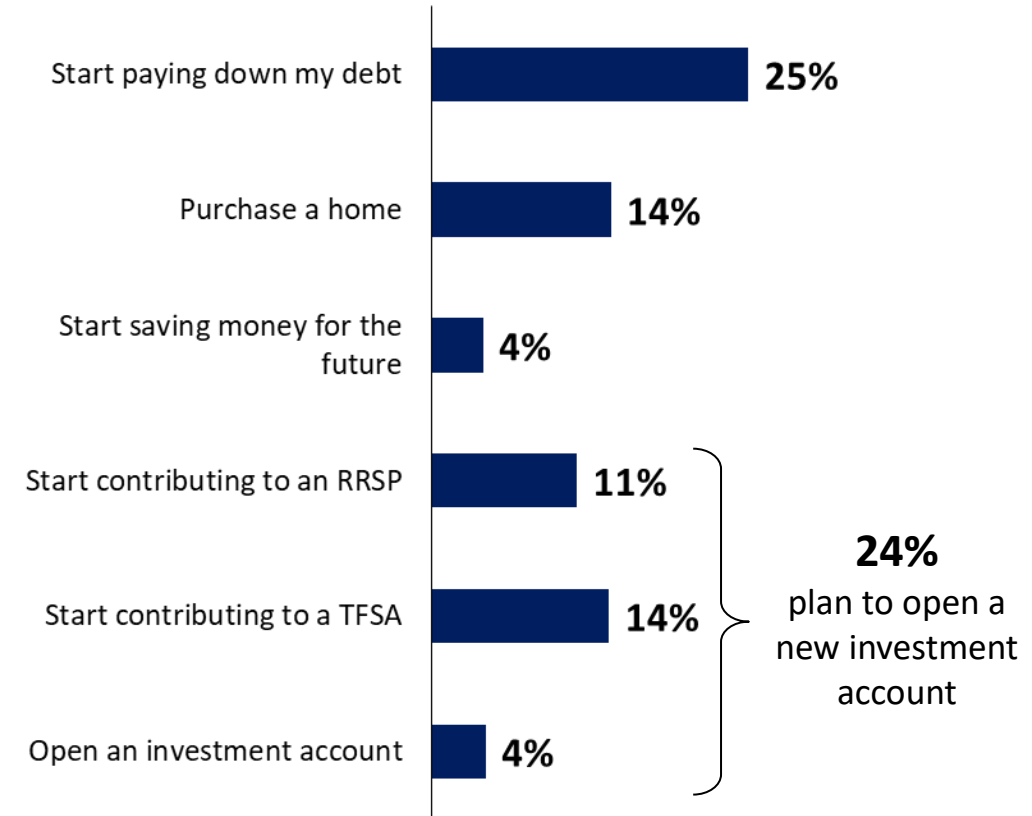
Even though you may not right now, are you planning to do any of the following in the next 5 years? Please select all that apply.

[asked of those who do not already do the following things (multiple mention); results shown among all respondents]

## December 2018



## June 2020



Note: % of total sample shown above for each group.

# Plans in the Next 5 Years: Plans to open any investment account are up<sup>34</sup> among non-investors while steady among investors

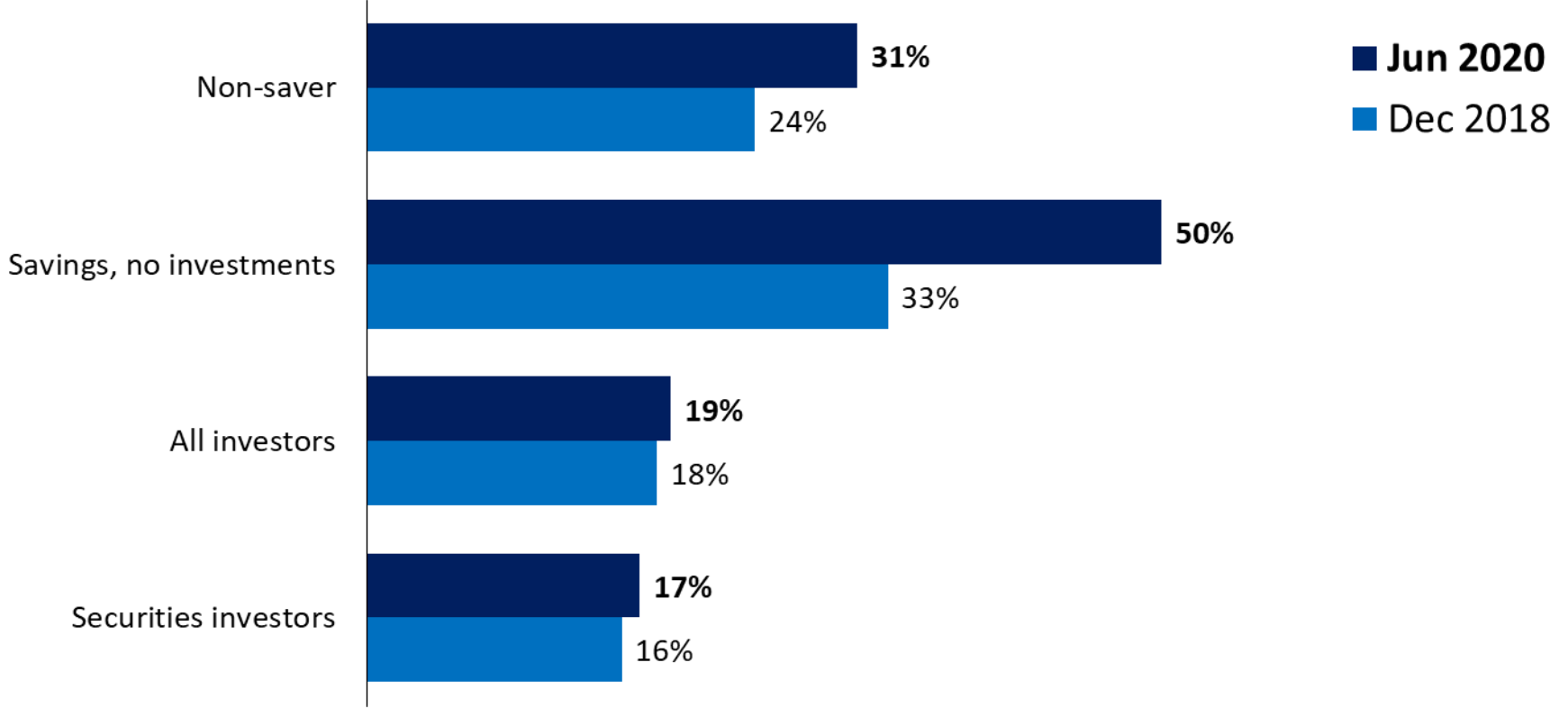


Even though you may not right now, are you planning to do any of the following in the next 5 years? Please select all that apply.  
[asked of those who do not already do the following things (multiple mention); results shown among all respondents]

*% Planning to open a new investment account*

For **non-savers and savers with no investments**, this is the % who say they will specifically open an RRSP or TFSA; or generally open “an investment account”

For **investors**, this is the % don’t already have an RRSP or TFSA and say they’re planning to open an RRSP or TFSA



Note: % of total sample shown above for each group.

# Plans in the Next 5 Years: Half of savers with no investments and 2-in-5<sup>35</sup> (40%) younger women plan to open a new investment account



Even though you may not right now, are you planning to do any of the following in the next 5 years? Please select all that apply. BY Investor Type, Self-Identification, Age-Gender, and Region

[asked of those who do not already do the following things (multiple mention); results shown among all respondents]

	Investor Type				Self-Identify as an Investor		Age-Gender						Region		
	Non-Saver	Saver, No Investments	All Investors	Securities Investors	Yes	No	M 18-34	M 35-54	M 55+	W 18-34	W 35-54	W 55+	Lower Mainland & FV	Van. Island/ Sunshine Coast	Interior/ North
Start paying down my debt	36%	20%	23%	23%	22%	24%	30%	36%	14%	23%	26%	20%	25%	21%	27%
Purchase a home	13%	25%	12%	12%	10%	14%	31%	7%	1%	32%	16%	6%	15%	14%	12%
Start saving money for the future	31%						2%	3%	2%	8%	6%	3%	3%	7%	5%
Start contributing to an RRSP	13%	26%	9%	7%	7%	9%	20%	10%	1%	22%	17%	3%	12%	12%	9%
Start contributing to a TFSA	20%	23%	11%	10%	10%	12%	17%	17%	7%	18%	18%	9%	14%	19%	10%
Open an investment account	10%	24%					11%	2%	0%	9%	6%	1%	5%	3%	3%
Open any new investment account (RRSP, TFSA, or “investment account”)	31%	50%	19%	17%	17%	20%	36%	25%	8%	40%	32%	11%	25%	28%	19%

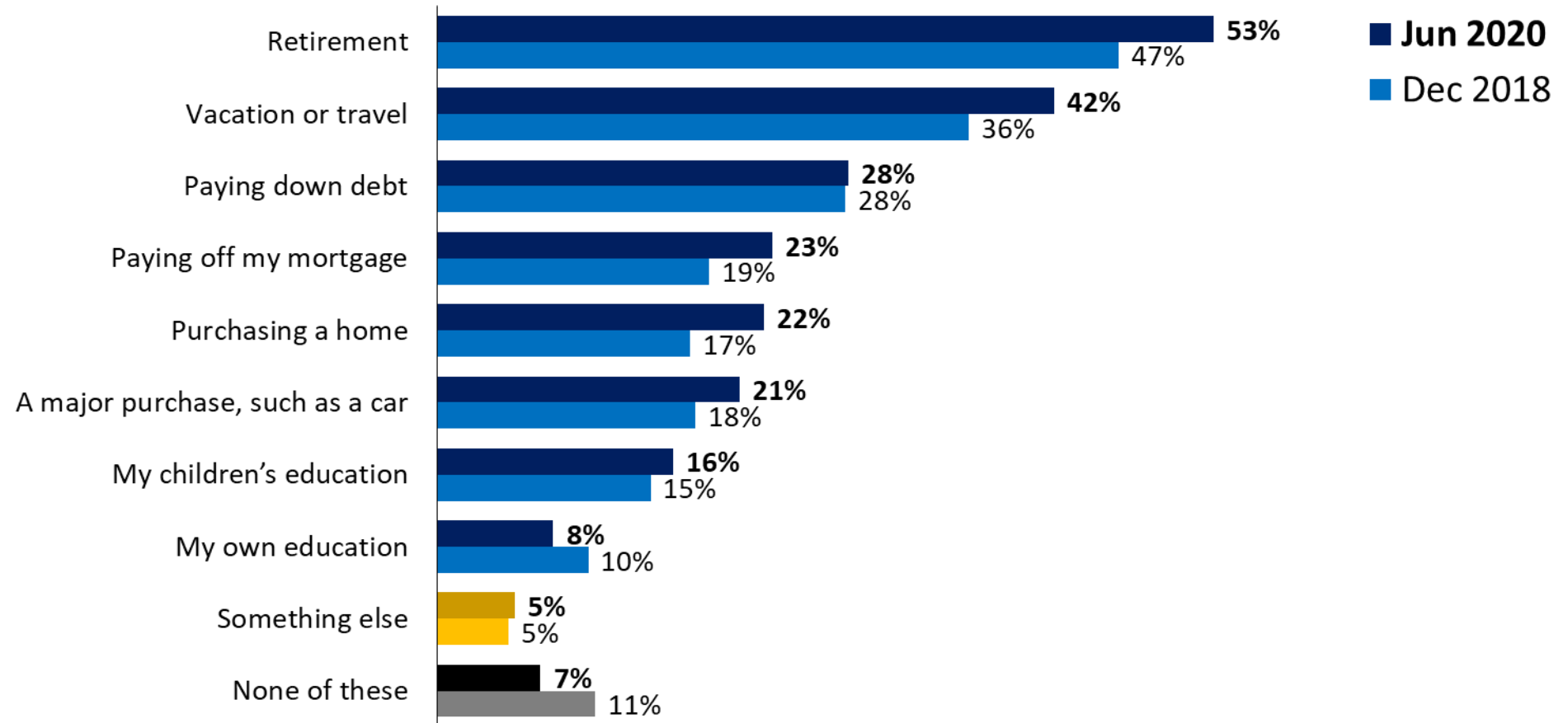
**Note:** Empty cells shaded in grey indicate groups of respondents who are not asked about a specific plan in the next 5 years as they all already do it (e.g. all investors already have an investment account)

# Goals: Those saying they are working towards retirement, vacation/travel, and purchasing a home each up 5-6 points since 2018



Thinking about the savings and investments you have set aside for the future, what goals are you currently working towards? Please select all that apply.

[asked of those who have savings or are currently saving; multiple mention; n = 1,381]



# Goals: Compared across age groups, those under 35 more likely to work<sup>137</sup> towards purchasing a home, middle-aged towards paying off debts



Thinking about the savings and investments you have set aside for the future, what goals are you currently working towards? Please select all that apply. BY Investor Type, Self-Identification, Age-Gender, and Region  
[asked of those who have savings or are currently saving; multiple mention; n = 1,381]

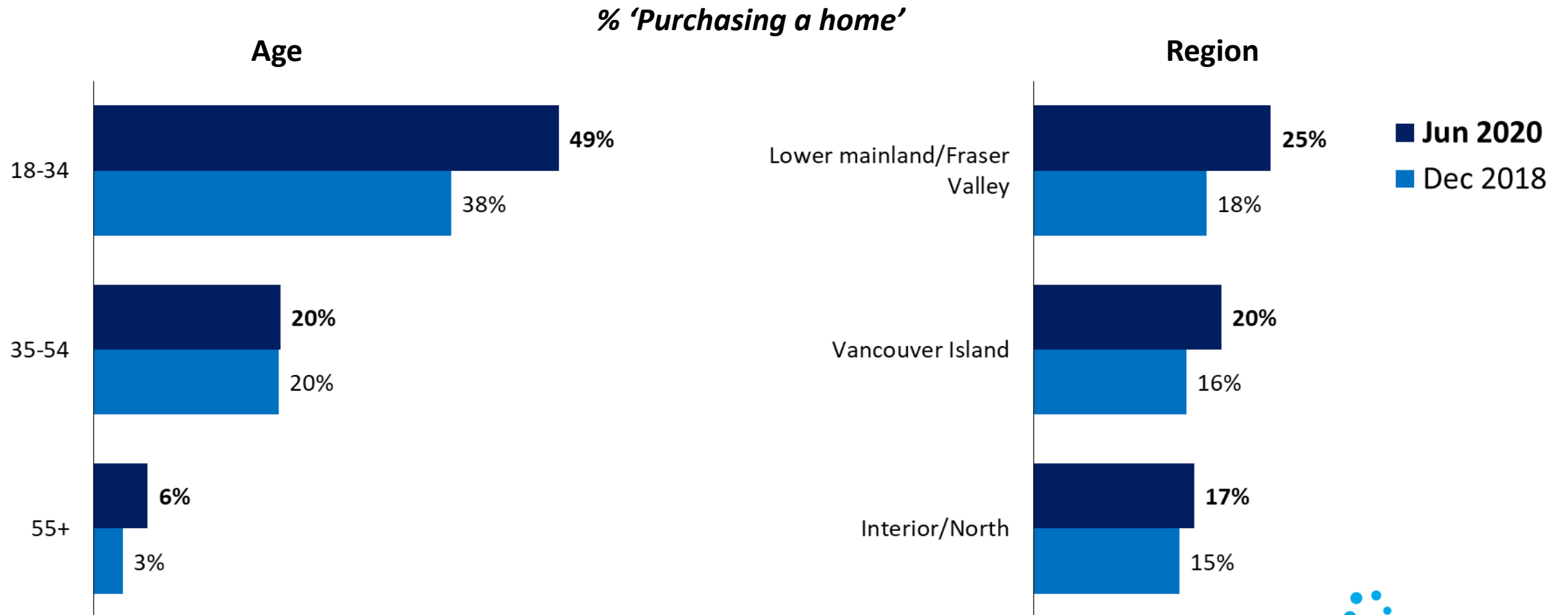
	Investor Type			Self-Identify as an Investor		Age-Gender						Region		
	Saver, No Investments	All Investors	Securities Investors	Yes	No	M 18-34	M 35-54	M 55+	W 18-34	W 35-54	W 55+	Lower Mainland & FV	Van. Island/ Sunshine Coast	Interior/ North
Retirement	35%	59%	62%	58%	59%	37%	67%	54%	33%	62%	55%	53%	53%	54%
Vacation or travel	37%	44%	47%	47%	43%	41%	40%	41%	52%	42%	40%	44%	41%	39%
Paying down my debt	25%	28%	26%	25%	30%	30%	36%	16%	30%	36%	21%	27%	32%	29%
Paying off my mortgage	11%	26%	27%	26%	26%	18%	37%	13%	23%	30%	15%	24%	22%	21%
Purchasing a home	30%	22%	21%	22%	21%	47%	17%	4%	52%	23%	8%	25%	20%	17%
A major purchase, such as a car	23%	21%	23%	23%	20%	31%	21%	16%	33%	19%	11%	22%	17%	20%
My children's education	14%	17%	18%	19%	17%	15%	28%	3%	21%	30%	2%	19%	12%	12%
My own education	18%	6%	6%	6%	6%	22%	5%	1%	24%	4%	0%	9%	7%	6%

# Goals | Purchasing a Home: Younger respondents up 11-pts on saying 'purchasing a new home'; up 7-pts among those from LM/FV

Q

Thinking about the savings and investments you have set aside for the future, what goals are you currently working towards? Please select all that apply. BY Age and Region

[asked of those who have savings or are currently saving; multiple mention; n = 1,381]



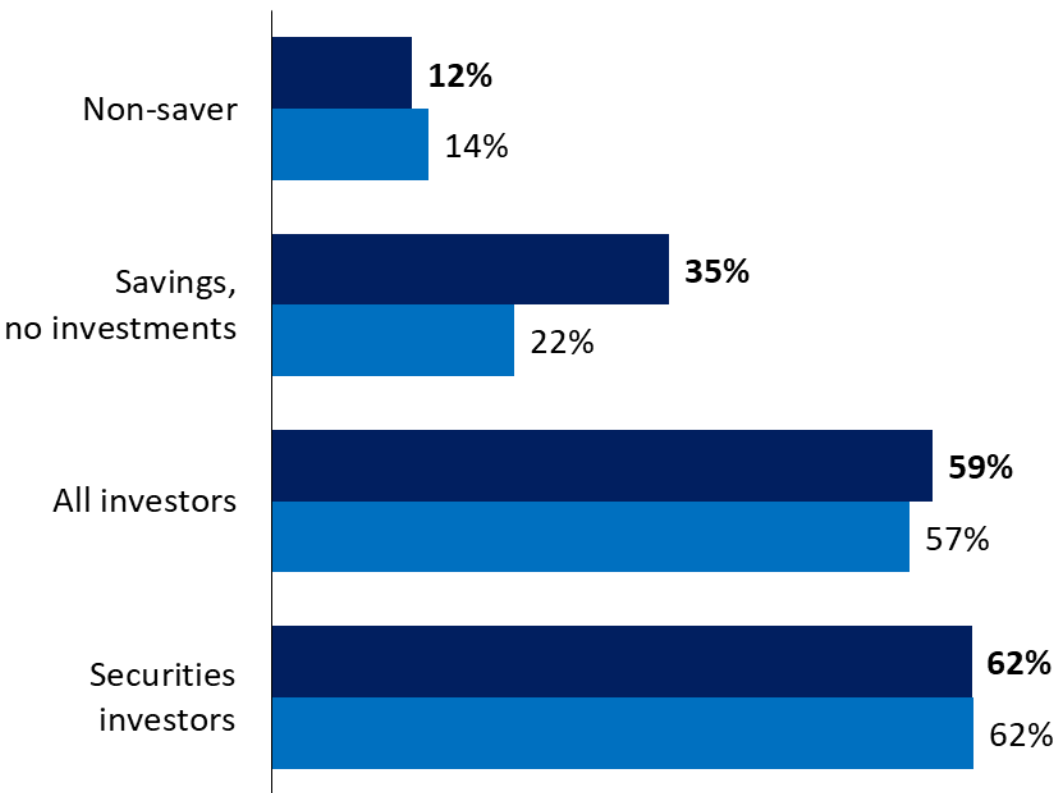
# Goals | Retirement: Savers with no investments up 13-pts on selecting retirement as a goal and those from Interior/North are also up (+11-pts)



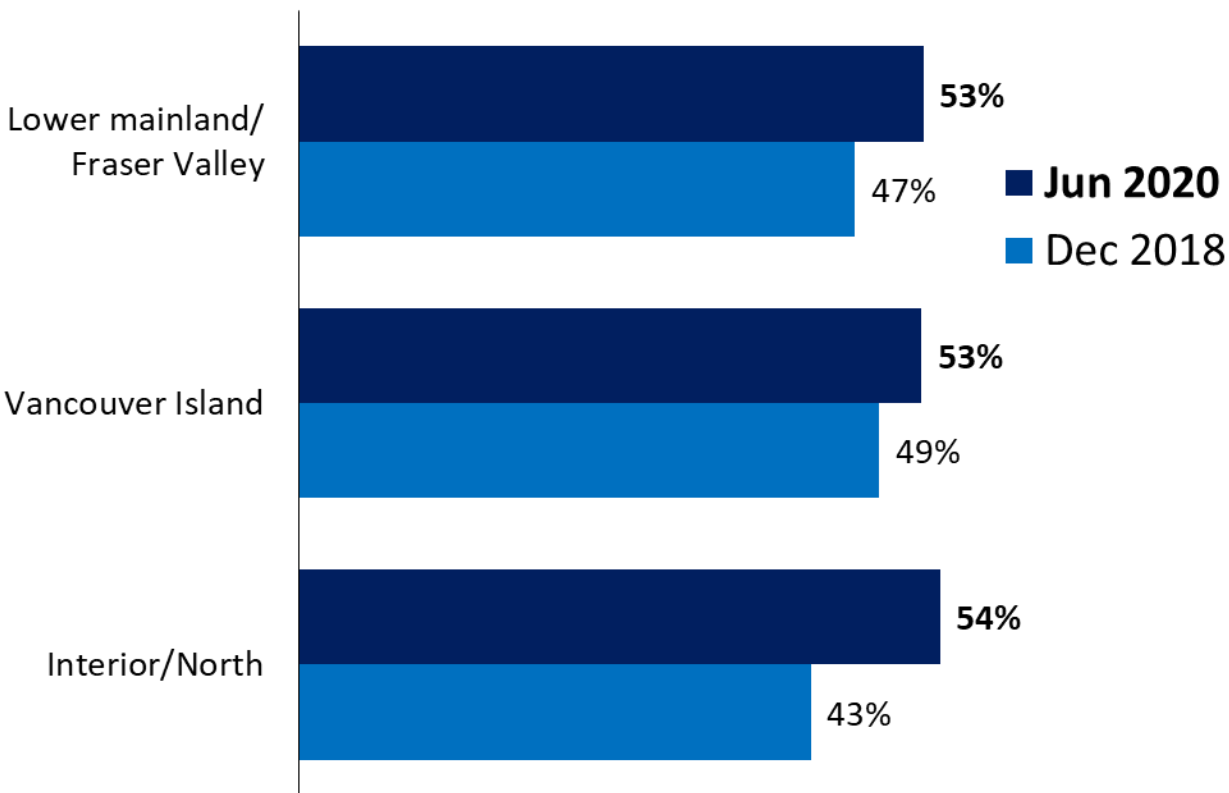
Thinking about the savings and investments you have set aside for the future, what goals are you currently working towards? Please select all that apply. BY Investor Type and Region  
[asked of those who have savings or are currently saving; multiple mention; n = 1,381]

% 'Retirement'

Investor Type



Region



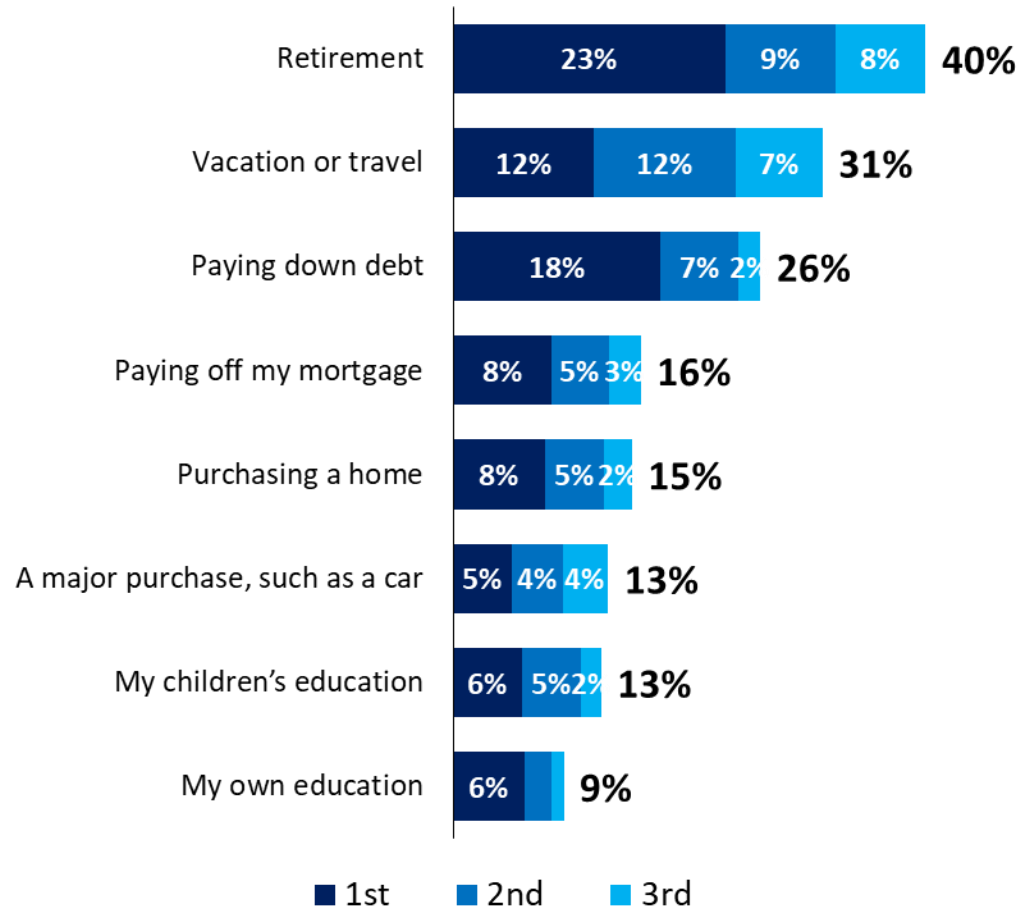
# Goal Priorities: Retirement seen as the most important priority (46% select as top three), up 6-pts since 2018



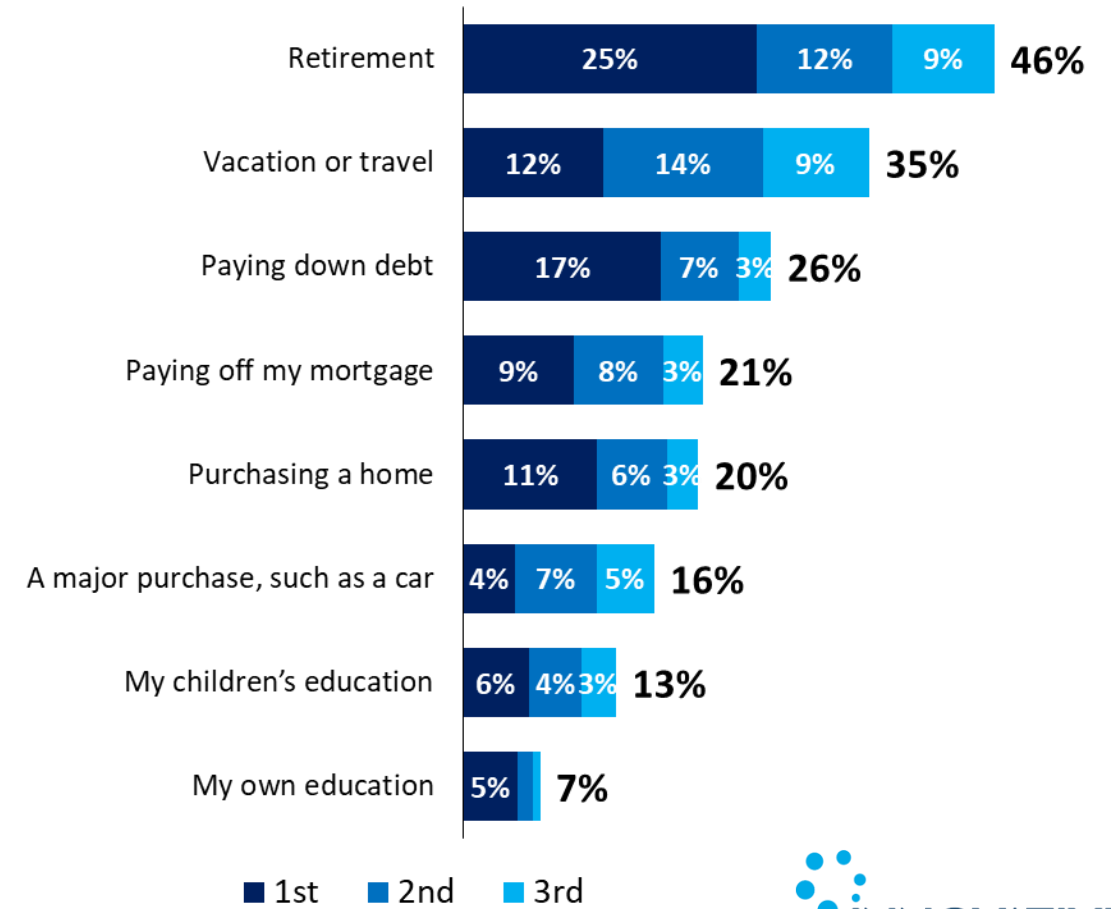
Thinking about the goals above, how would you rank them in order of the priority you are placing on them in your life right now.

[asked of those who have savings or are currently saving and have selected the following things as their goals; n = 1,381]

## December 2018



## June 2020





# Goal Priorities: Compared to other groups, those age 35-54 are more likely to select paying off debt/mortgage as their priorities



Thinking about the goals above, how would you rank them in order of the priority you are placing on them in your life right now. BY Investor Type, Self-Identification, Age-Gender, and Region.

[asked of those who have savings or are currently saving and have selected the following things as their goals; n = 1,381]

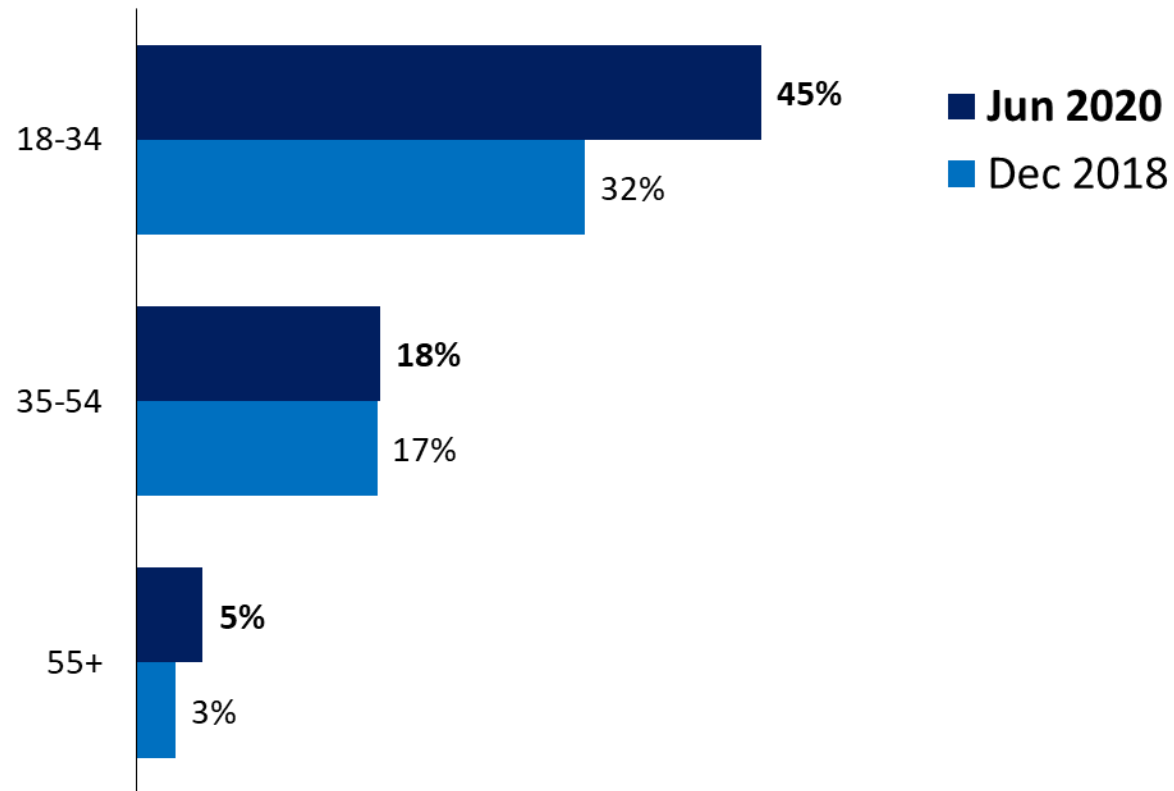
% Who Select As Top 3 Priority	Investor Type			Self-Identify as an Investor		Age-Gender						Region		
	Saver, No Investments	All Investors	Securities Investors	Yes	No	M 18-34	M 35-54	M 55+	W 18-34	W 35-54	W 55+	Lower Mainland & FV	Van. Island/ Sunshine Coast	Interior/ North
Retirement	27%	51%	54%	51%	51%	26%	60%	51%	21%	52%	52%	45%	47%	47%
Vacation or travel	32%	36%	38%	38%	35%	32%	29%	40%	37%	34%	38%	35%	37%	32%
Paying down my debt	23%	27%	25%	23%	28%	27%	34%	15%	28%	35%	20%	25%	31%	27%
Paying off my mortgage	9%	23%	24%	24%	23%	15%	35%	12%	20%	26%	14%	22%	18%	19%
Purchasing a home	27%	19%	19%	19%	19%	45%	14%	3%	46%	21%	7%	22%	18%	16%
A major purchase, such as a car	18%	17%	17%	18%	16%	24%	16%	15%	28%	13%	9%	17%	14%	17%
My children's education	12%	14%	15%	15%	14%	9%	25%	2%	14%	27%	1%	15%	10%	9%
My own education	17%	5%	4%	3%	5%	20%	3%	0%	22%	3%	0%	7%	6%	6%

# Goal Priorities | Purchasing a Home: Relative priority of purchasing a home up 13-pts among younger respondents, otherwise steady



Thinking about the goals above, how would you rank them in order of the priority you are placing on them in your life right now. BY Age  
[asked of those who have savings or are currently saving and have selected the following things as their goals; n = 1,381]

## % Who rank 'Purchasing a home' as top 3 priority



# Goal Priorities | Retirement: Priority of retirement up most among non-investors and those from Interior/North

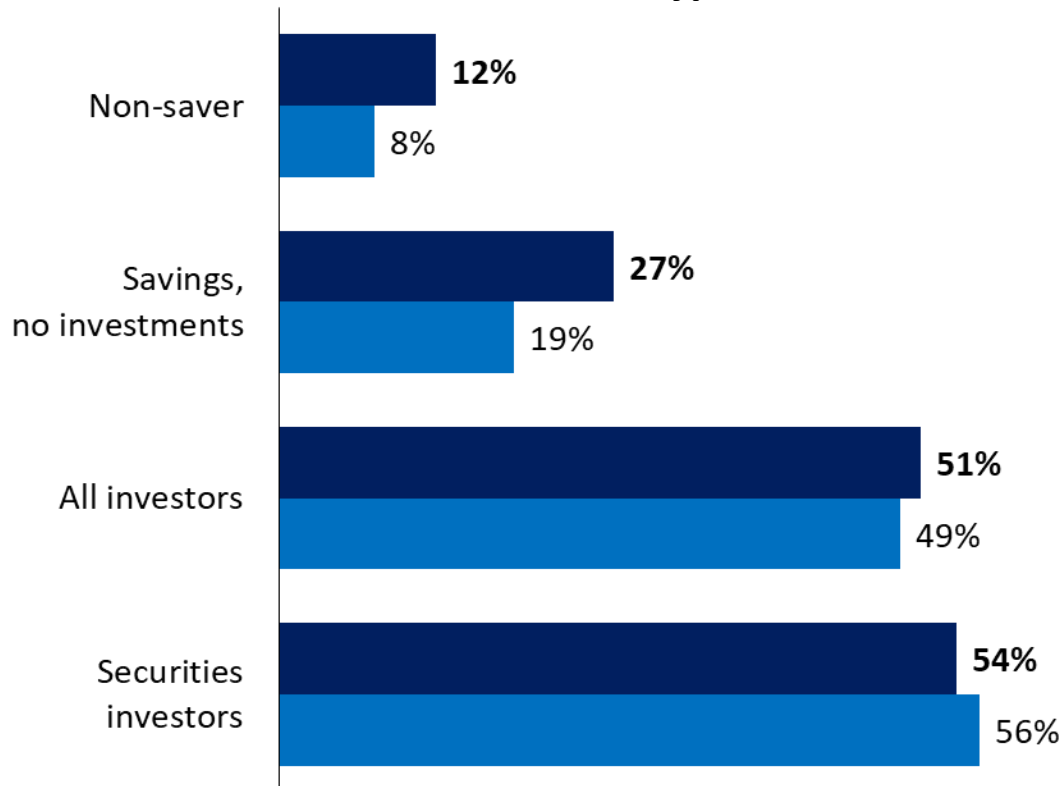


Thinking about the goals above, how would you rank them in order of the priority you are placing on them in your life right now. BY Investor Type and Region

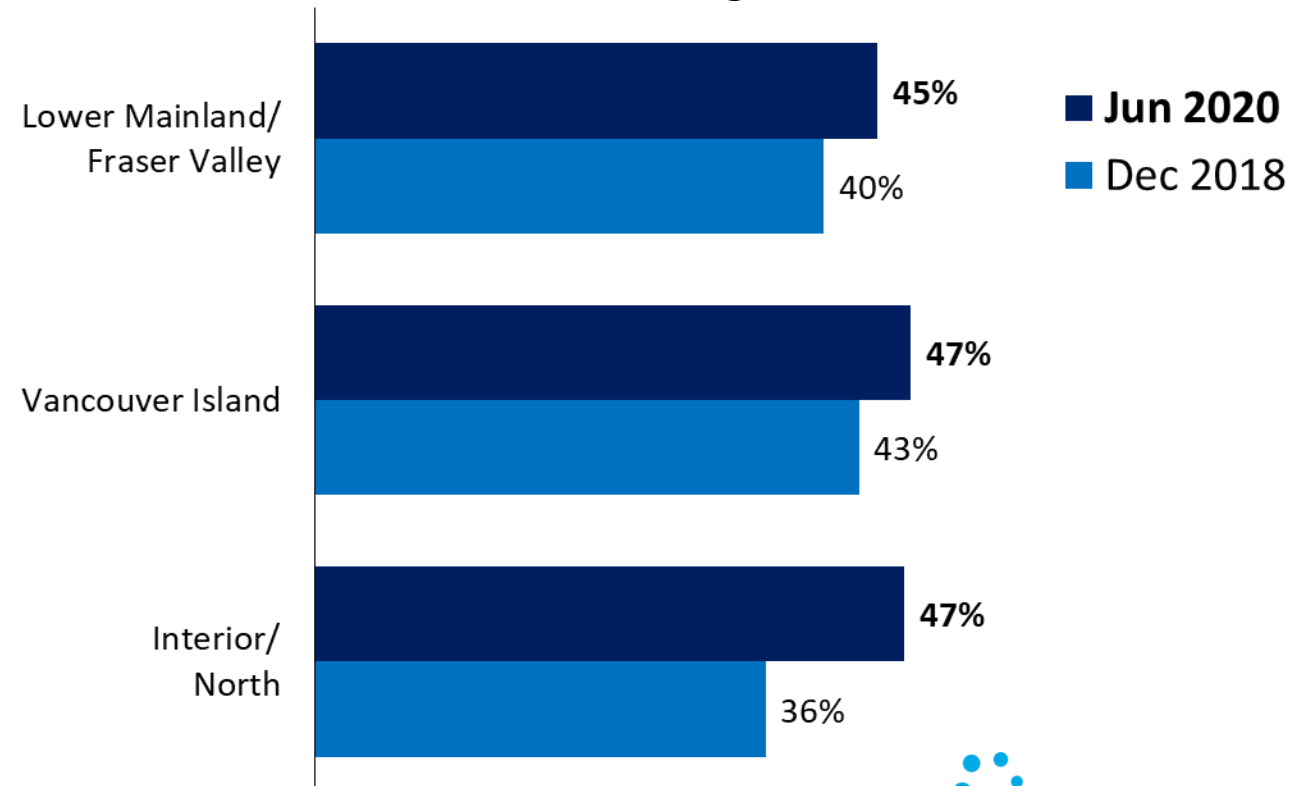
[asked of those who have savings or are currently saving and have selected the following things as their goals; n = 1,381]

## % Who rank 'Retirement' as top 3 priority

### Investor Type



### Region





# Building Understanding.

For more information, please contact:

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