Americans are the champions of investing

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Findings of the GfK Investment Barometer concerning the assets of private investors in Europe and the USA
Nuremberg/Frankfurt, June 30, 2006 - When it comes to private investing, Americans are far ahead of Europeans. Half of Americans have investments of over 50,000 US dollars. Swiss and Belgian citizens lead in Western Europe. While shares remain most popular in the USA, Western Europeans are still responding cautiously in their choice of investment form and primarily investing their money in savings accounts. These are the findings of the current Investment Barometer survey carried out in spring 2006 by GfK Custom Research Worldwide on behalf of the Wall Street Journal Europe.

In terms of the availability of private assets, Americans are clearly ahead: almost half of the respondents indicate current ownership of assets worth more than 50,000 US dollars. In Europe this is particularly true of the Swiss and Belgians. One third of the Swiss and 29% of the Belgians declare that they own more than 50,000 euros in assets. On average this applies to just 10% of Western Europeans. In Germany and Spain it holds true for only 7%.

The citizens of Central and Eastern Europe are generally much less likely to hold assets. As in the two previous years, 2% of the population say that they have assets of more than 25,000 euros at their disposal - to make the findings comparable, the value of 50,000 euros had been reduced to 25,000 euros for the countries of Central and Eastern Europe.

Older Americans and Western Europeans more likely than average to hold assets

The popular opinion that older investors could amass more private assets over the years than younger investors applies to both USA and Western Europe: while only 7% of young Western Europeans aged between 14 and 29 claim to have assets of more than 50,000 euros at their disposal, the proportion among 30-to-49-year-olds is 11% and among the over-50s, 18%.

With a proportion of 72% of investors aged over 50 have private financial resources of more than 50,000 US dollars at their disposal - they are followed by the 30-to-49-year-olds with 60%. The group of investors aged between 14 an 29 is at 36% - only relatively half as large as those of the older investors.

Across all age groups, the situation with regard to the private assets of people in Eastern Europe is equally poor. Whether old or young, only around 2% manage to put aside more than 25,000 euros; among the savers aged over 50, this falls as low as 1%.

Savings accounts remain popular - a slightly declining trend

In the last four years, more than half of the private investors in Western Europe invested their money in savings accounts, in autumn 2003 this figure reached 60%. This year the proportion fell just below the 50% mark for the first time. Yet savings accounts remain the most popular form of saving for Western Europeans. In second place on the popularity scale come life insurance and pension funds with 37% altogether. Like last year, around one in five Western Europeans declared ownership of such investments - four years ago the proportion was still almost one in three.

In the USA, shares and equity-based securities are a form of investment that remains popular at 36%. However, the number of people who hold equity-based investment funds fell by 7% in the last half-year to 17%. Just six months ago, one in four Americans described shares and equity funds as well as investment funds as the most important form of saving. Today this view is shared by only around one in eight. In Western Europe there has been little change in private investors' views on the subject: only 8% consider investment forms related to the stock market to be the most important form of saving.

US investors view the future with optimism

In terms of their own future investment behavior, US citizens show the greatest optimism across all countries. 41% - in autumn 2005 it was still 35% - assume that they will be able to save a little more in the coming 12 months than they did in the previous year. One in ten even thinks that significantly greater savings can be made. In Western Europe just under one in five respondents estimate that they will be able to put more money aside in future. In fact, only 8% of people in Eastern Europe anticipate improved conditions with regard to financial investments.

The Survey

The Investment Barometer survey is carried out twice a year and provides information about the investment attitude and behavior of European and American consumers. Survey questions include how much money private individuals invest, how they would invest 50,000 euros (USA: 50,000 US dollars, Central and Eastern Europe: 25,000 euros) and how they would rate their own future in terms of savings. The current survey was carried out by GfK Custom Research Worldwide on behalf of The Wall Street Journal Europe and with the financial support of GfK-NÃ¼rnberg e.V. in March and April 2006, and comprised a total of 13,200 people in 16 countries.

Custom Research Worldwide, part of the GfK Group, coordinates international projects in GfK's Custom Research division, with subsidiaries and partners in 90 countries operating under its roof.

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