Latest Savings / Investment Research Finds More People Have Savings

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Research commissioned by JGFR from GfK NOP* and run alongside the Q3 UK Financial Activity Barometer (FAB) finds 3 out of 5 adults aged 16+ have up to Â£50,000 in savings / investments including pension fund assets, a jump from 51% in December 2012.

Of the estimated 31 million adults with savings / investments up to Â£50,000, 68% have less than Â£10,000, 17% have between Â£10,000-19,999 and 15% have between Â£20,000-49,999.

More people had higher levels of savings / investment last December. A quarter held over Â£50,000 in financial assets compared to 12% in June. Some of this money may have been saved up for property deposits and is now invested, with the proportion of young people having over Â£50,000 in savings falling back sharply.Â Older people may have converted pension funds into annuities.

Falling savings rates and uncertainty about stock market direction may have resulted in more people spending money on big ticket items with car sales particularly strong in the first half of 2013.

The weakness of household finances in the first half of 2013 resulted in many households dipping into savings to make ends meet.

Overall the proportion of people who said they had no savings / investments is slightly up at 17% from 14% last December. Compared to June 2008 households have prioritised saving with the proportion of adults with no savings / investments down from 39%.

Among the segments with the highest levels of saving / investment are co-habiting couples (89%), households earning over Â£25,000 (86%) and university graduates (84%).

For IFAs and wealth managers the top earning bands (Â£35,000-Â£49,999 and Â£50,000+) have more people with over Â£250,000 of financial assets.

Fewer men (13%) have no savings / investment compared to 21% of women; many will be among the 23% of over 65s without any financial assets.

By intended financial activity, the most active are those with more savings / investment â€“ 84% expect to undertake 6 or more savings, investment, borrowing or debt repayment activity in the next 6 months and 83% intend to undertake 4 or 5 activities.

Over a third of intending investors in shares or unit trust have financial assets over Â£250,000 and around a quarter of ISA savers / investors.
*Research carried out among 996 adults aged 16+, representative of UK population, June 2013

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