

Schroders

Global Investor Study 2017  
Lessons from our elders



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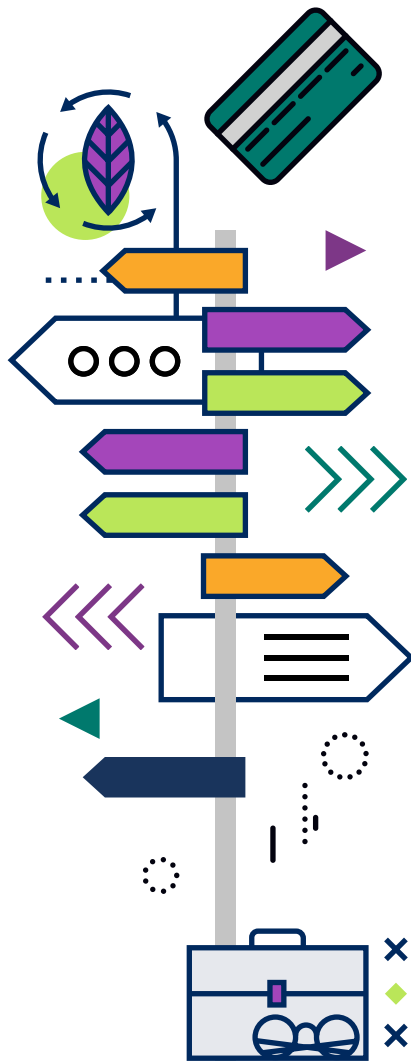
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# Overview



## About this survey

In June 2017, we conducted an independent online survey of 22,100 people who invest from 30 countries around the world. The countries included Australia, Brazil, Canada, China, France, Germany, India, Italy, Japan, the Netherlands, Spain, the UK and the US. The people we surveyed are all active investors; they have all made changes to their investments within the past 10 years, and will be investing at least €10,000 (or the equivalent) in the next 12 months.

Planning for the future is at the forefront of most people's minds and investing plays a key role in people's preparations. When it comes to retiring, there are a multitude of means by which people can source income, but saving is critical for achieving the level of comfort people want when they reach the retirement milestone.

The Global Investor Survey 2017 explores how people are preparing for retirement as well as the experiences of those who have already retired. The results show that while savings and investments make up the largest source of retirement funding, people haven't been saving enough. They suggest that a greater level of investing could be a means by which the gap between current and required savings for retirement can be closed.

## Our findings in a nutshell

- **Retirees stopped working earlier than expected, but wished they'd saved more.** Retirees on average retired at the age of 59.4 years old. A notable 33% do not feel that their income in retirement is enough to live comfortably on, and 2 in 3 wish they had saved more before retiring.
- **Savings and investments are people's largest source of retirement funding.** A fifth of people's retirement income is expected to be drawn from savings and investments. State pension schemes are depended on for 19% of retirement income and company pensions for 18%. Europe is most optimistic about state pension schemes, where people expect these to account for 26% of their income in retirement.
- **People are not saving enough for retirement.** On average, non-retired people who invest are saving 11.4% of their annual income for retirement, but expect they need to save 13.7% to live comfortably. This gap is most pronounced in Chile (8.2% difference), Hong Kong (5.7%) and South Africa (5.5%). Globally, 1 in 3 (34%), do not think that their retirement income will be enough for a comfortable lifestyle.
- **Millennials are saving more than expected, but not quite enough.** On average, millennials are saving 11.2% of their income – a respectable amount. They are saving less than they expect they need (13.2%), which is only 1% less than older generations are expecting to need. Over 1 in 4 (26%) Millennials say they do not feel their income in retirement will be sufficient for a comfortable retirement.
- **The majority hope to work part-time before retiring fully.** Globally, 63% of people who invest, intend to work part-time before they fully retire, and for an average of 3.4 years. The Americas have the highest average number of years, with 3.9, followed by Asia at 3.4 and Europe at 3.2 years. Just 7% do not intend to retire completely at all.
- **Leisure and family time are the most appreciated outcomes of retirement.** Of those who invest, 3 in 5 (59%) are most looking forward to, or are currently enjoying, more leisure time in retirement. This is true for 72% of retirees – significantly higher than the 57% of those who are not retired. Among non-retired people, 30% are most looking forward to turning a hobby into a source of income, but this is only true for 17% of retirees.
- **People's primary reason for investing is to increase their retirement income.** Among retired people who invest globally, 66% feel it is important to invest to supplement their current pension, and 75% of non-retired people who invest feel it is important to invest to save for future retirement. It is the top motivation for investing across geographies and generations.

# Retirees stopped working earlier than expected, but wished they'd saved more

Our results showed that people who have already retired entered retirement almost two years earlier on average than their ideal retirement age.

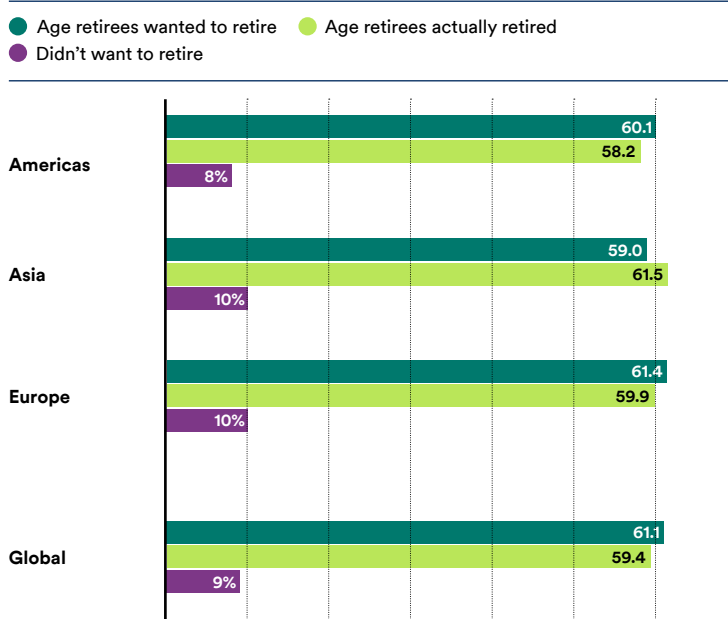
Almost one in ten (9%) did not want to retire, and 33% of those retired do not feel that their income is enough to live on comfortably. Twice as many (66%) wish they had saved more before retiring.

Asia reveals the greatest proportion of regretful retirees, at 89%, with Europe proving significantly more content with how much they had saved, with only 52% wishing they had saved more.

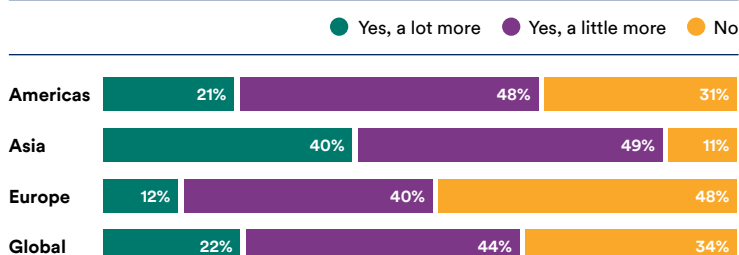
There is a slight gender split in these results, with 70% of retired women wishing they had saved more, compared to only 64% of retired men.

The UK stands out as the country where the fewest people wish they had saved more, with 58% saying they do not wish they had saved more. In contrast, 98% in Thailand reported wishing they had saved at least a little more.

Average expected / actual age of retirement  
By region (retired)



Retirees who wish they had saved more money for their retirement  
By region



## Do you wish you'd saved more money for your retirement?

Base: Retired respondents

Country	Yes, a lot more	Yes, a little more	No
<b>Americas</b>	<b>21%</b>	<b>48%</b>	<b>31%</b>
Brazil	22%	57%	22%
Canada	14%	44%	42%
Chile	31%	58%	11%
US	25%	43%	32%
<b>Asia</b>	<b>40%</b>	<b>49%</b>	<b>11%</b>
China	42%	53%	6%
Hong Kong	29%	66%	5%
India	61%	31%	8%
Indonesia	67%	26%	7%
Japan	26%	49%	24%
Singapore	32%	55%	14%
South Korea*	42%	58%	0%
Taiwan	27%	68%	5%
Thailand	38%	60%	2%
<b>Europe</b>	<b>12%</b>	<b>40%</b>	<b>48%</b>
Austria	6%	39%	56%
Belgium	13%	45%	41%
Denmark	9%	42%	49%
France	8%	42%	50%
Germany	10%	33%	57%
Italy	15%	44%	41%
Netherlands	9%	36%	54%
Poland	24%	57%	19%
Portugal	17%	41%	41%
Russia*	50%	38%	13%
Spain	26%	49%	24%
Sweden	9%	41%	50%
Switzerland	13%	42%	44%
UK	8%	34%	58%
<b>Other</b>	<b>28%</b>	<b>47%</b>	<b>25%</b>
Australia	24%	49%	27%
South Africa	50%	35%	15%
UAE	N/A	N/A	N/A

Caution: small base (n<30) - directional results only.

# Savings and investments are people's largest source of retirement funding

The main way people intend to fund, or actually fund, their retirement lifestyle is through savings and investments (20% of retirement income), followed by pension schemes in their varying forms.

Europe is the only region to rank State Pension schemes as their number-one source of retirement funding (26%), which falls into third place for Asia and the Americas, after company pensions and other savings/investments.

State pensions make up the highest proportion of anticipated or actual retirement income for the following European countries:

- Austria – 43%
- Germany – 34%
- Poland – 32%
- Portugal – 32%

The countries in Asia where savings and investments are expected to be or actually are the largest part of retirement income are:

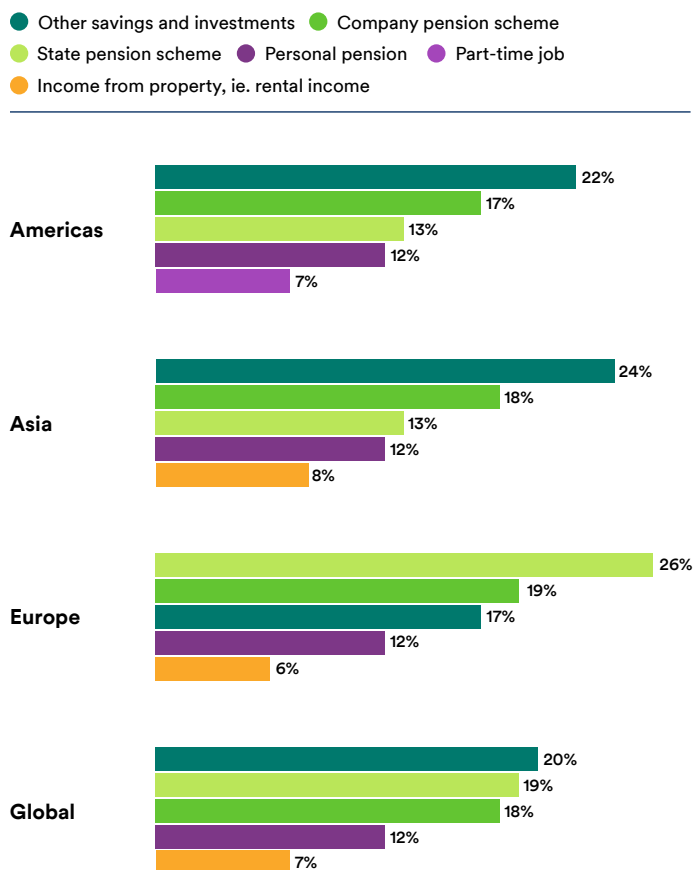
- Singapore – 38%
- Hong Kong – 31%
- Taiwan – 29%

People in Singapore receive, or expect to receive, only 5% of their retirement income from company pension schemes, in contrast to 34% in both Japan and the Netherlands. People in Hong Kong only see 5% of their retirement income coming from the State Pension.

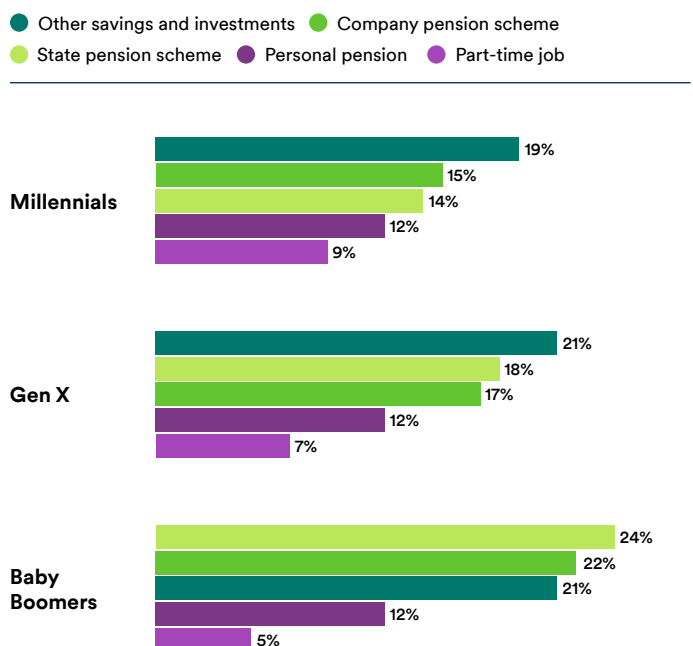
Personal pensions make up the biggest slice of retirement income in Chile, at 25%.

Millennials and Generation X expect similar things when it comes to the breakdown in proportion of income sources, whereas Baby Boomers are experiencing a much greater reliance on state pension schemes.

Expected/Actual sources of retirement income  
Top five sources by region



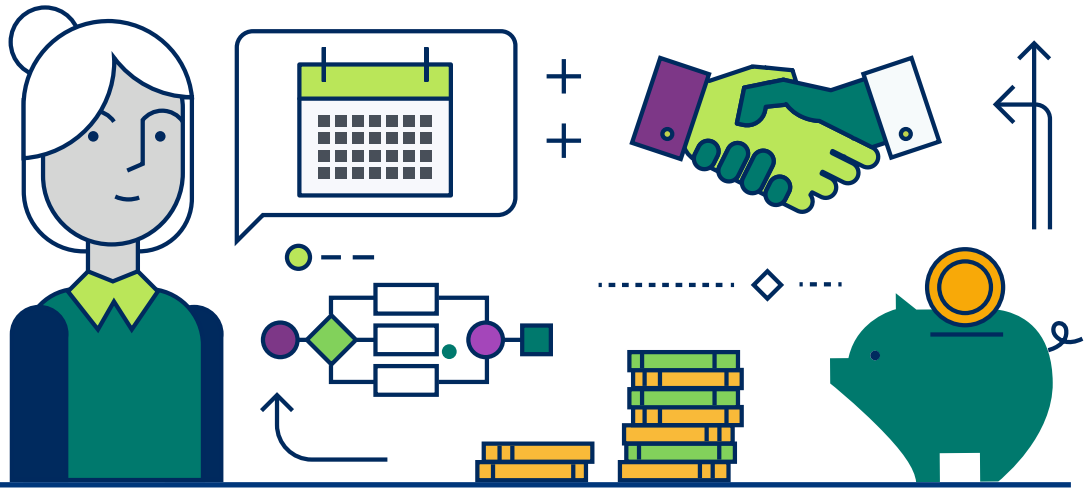
Expected/actual sources of retirement income  
Top five sources by generation



Thinking of your income for the duration of your retirement, what percentage of the total will (or has) come from the following income sources?

Country	Company pension scheme	State pension scheme	Other savings and investments	Personal pension	Part-time job	Income from property, i.e. Rental income	Other*
<b>Americas</b>	<b>17%</b>	<b>13%</b>	<b>22%</b>	<b>12%</b>	<b>7%</b>	<b>7%</b>	<b>22%</b>
Brazil	15%	19%	20%	8%	7%	9%	22%
Canada	23%	13%	24%	13%	5%	5%	17%
Chile	15%	13%	17%	25%	8%	10%	13%
US	15%	10%	22%	11%	8%	7%	27%
<b>Asia</b>	<b>18%</b>	<b>13%</b>	<b>24%</b>	<b>12%</b>	<b>6%</b>	<b>8%</b>	<b>19%</b>
China	15%	22%	17%	16%	4%	7%	18%
Hong Kong	18%	5%	31%	15%	6%	8%	16%
India	15%	8%	20%	11%	8%	11%	28%
Indonesia	12%	6%	24%	13%	7%	13%	25%
Japan	34%	13%	26%	8%	6%	5%	9%
Singapore	5%	11%	38%	10%	8%	9%	19%
South Korea	18%	14%	16%	12%	9%	9%	23%
Taiwan	14%	16%	29%	15%	5%	5%	15%
Thailand	15%	12%	27%	8%	6%	9%	24%
<b>Europe</b>	<b>19%</b>	<b>26%</b>	<b>17%</b>	<b>12%</b>	<b>5%</b>	<b>6%</b>	<b>16%</b>
Austria	11%	43%	18%	8%	3%	6%	11%
Belgium	13%	29%	16%	14%	5%	6%	18%
Denmark	21%	18%	13%	15%	6%	6%	23%
France	25%	21%	12%	10%	5%	8%	19%
Germany	13%	34%	17%	9%	4%	6%	18%
Italy	18%	28%	16%	13%	4%	5%	15%
Netherlands	34%	21%	16%	10%	3%	4%	12%
Poland	12%	32%	20%	11%	4%	7%	13%
Portugal	13%	32%	17%	6%	6%	7%	18%
Russia	9%	26%	23%	10%	10%	9%	15%
Spain	9%	26%	20%	21%	4%	6%	14%
Sweden	17%	20%	17%	11%	6%	5%	24%
Switzerland	24%	20%	19%	10%	5%	5%	16%
UK	30%	16%	17%	11%	5%	6%	16%
<b>Other</b>	<b>17%</b>	<b>10%</b>	<b>21%</b>	<b>15%</b>	<b>6%</b>	<b>9%</b>	<b>21%</b>
Australia	16%	13%	20%	16%	7%	8%	21%
South Africa	24%	5%	22%	17%	5%	10%	18%
UAE	14%	7%	23%	10%	7%	12%	27%

\*Includes releasing equity from your home, money from relatives or partner, inheritance & 'other'.

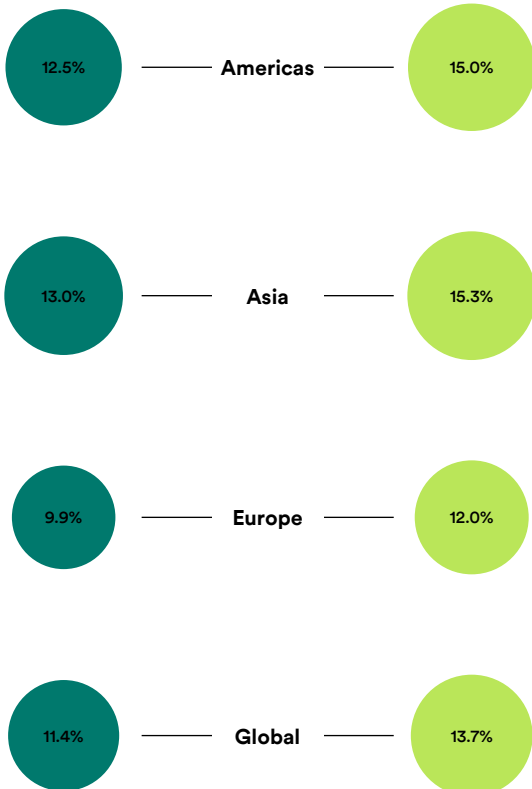


# People are not saving enough for retirement

Average annual income non-retired people are saving for retirement/feel they should be saving

## By region

● Currently Saving ● Feel they should be saving



Non-retired people who invest are saving on average 11.4% of their annual income for retirement – an encouraging percentage. However, there is an average difference of 2.3% between how much they are currently saving and how much they think they will need to save to live comfortably in retirement.

Of the 30 countries surveyed, Denmark is the closest to currently saving the proportion that people feel they will need to live comfortably.

The greatest gaps between current savings and anticipated need for comfortable living occur in Chile (8.3% difference), Hong Kong (5.8%) and South Africa (5.6%).



How much of your annual income are you currently saving/do you feel you should be saving for retirement?

Country	Average % of current annual income being saved for retirement	Average % felt should be saved to live comfortably in retirement	Difference
<b>Americas</b>	<b>12.5%</b>	<b>15.0%</b>	<b>2.5%</b>
Brazil	12.7%	16.2%	3.5%
Canada	11.2%	13.1%	1.9%
Chile	10.7%	19.0%	8.3%
US	13.5%	14.4%	0.9%
<b>Asia</b>	<b>13.0%</b>	<b>15.3%</b>	<b>2.3%</b>
China	12.9%	13.3%	0.4%
Hong Kong	10.8%	16.6%	5.8%
India	13.0%	15.3%	2.3%
Indonesia	15.4%	17.0%	1.6%
Japan	13.9%	14.6%	0.7%
Singapore	14.6%	17.7%	3.1%
South Korea	10.2%	12.5%	2.3%
Taiwan	13.1%	17.3%	4.2%
Thailand	12.7%	16.3%	3.6%
<b>Europe</b>	<b>9.9%</b>	<b>12.0%</b>	<b>2.1%</b>
Austria	10.3%	12.2%	1.9%
Belgium	9.0%	11.1%	2.1%
Denmark	11.6%	12.0%	0.4%
France	9.4%	11.0%	1.6%
Germany	10.5%	12.0%	1.5%
Italy	9.0%	12.6%	3.6%
Netherlands	9.0%	9.7%	0.7%
Poland	10.5%	14.3%	3.8%
Portugal	9.4%	12.9%	3.5%
Russia	8.6%	12.5%	3.9%
Spain	8.6%	12.0%	3.4%
Sweden	11.5%	12.6%	1.1%
Switzerland	10.8%	12.0%	1.2%
UK	11.3%	12.4%	1.1%
<b>Other</b>	<b>12.1%</b>	<b>14.8%</b>	<b>2.7%</b>
Australia	12.1%	13.6%	1.5%
South Africa	12.2%	17.8%	5.6%
UAE	11.7%	15.1%	3.4%

Do you feel that your income in retirement is/will be sufficient to provide a comfortable life?  
**Regional comparison**

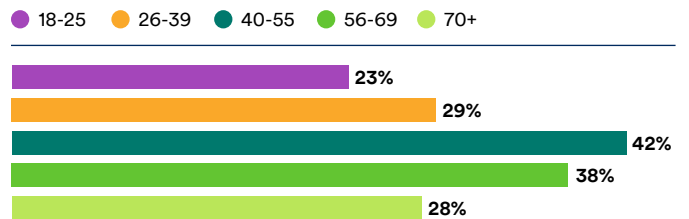


# For many, a comfortable retirement is not felt to be on the cards

Globally, 1 in 3 (34%) do not think that their retirement income is or will be enough for a comfortable lifestyle. This rises to 37% in Asia, but is true of only 26% in the Americas – the least pessimistic.

The sentiment is shared by a similar proportion of retired (33%) and non-retired (34%) investors. It appears to amplify around middle age, but decreases as typical retirement age is reached.

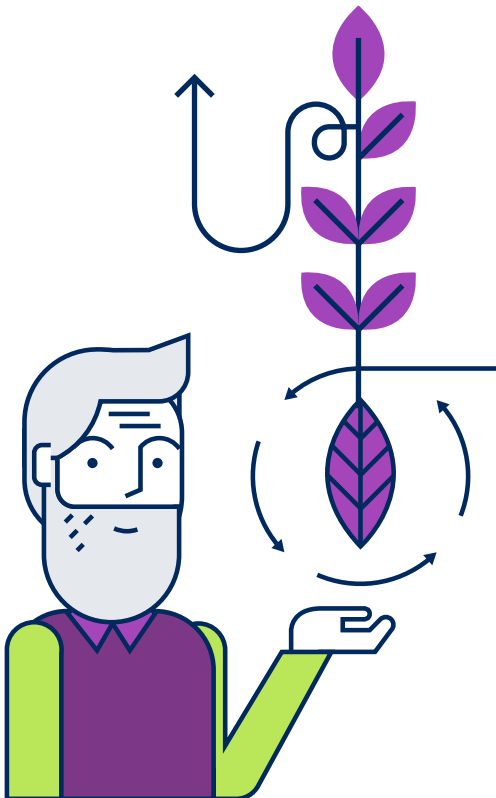
Proportion who do not feel their income in retirement is/will be sufficient to provide a comfortable life  
**By age**



Certain countries are significantly more concerned about their retirement income than others.

Two-thirds of people in Chile (66%) say they feel their income will be or is in sufficient for a comfortable retirement, followed by Hong Kong and Japan, both with 59%, and Russia at 54%.

At the other end of the scale, only 12% of those in Indonesia feel pessimistic, followed by 14% in the US and 19% in Sweden.



Do you feel that your income in retirement is/will be sufficient to provide a comfortable life?

Country	Yes	No
<b>Americas</b>	<b>74%</b>	<b>26%</b>
Brazil	72%	28%
Canada	71%	29%
Chile	34%	66%
US	86%	14%
<b>Asia</b>	<b>63%</b>	<b>37%</b>
China	73%	27%
Hong Kong	41%	59%
India	77%	23%
Indonesia	88%	12%
Japan	41%	59%
Singapore	54%	46%
South Korea	56%	44%
Taiwan	54%	46%
Thailand	78%	22%
<b>Europe</b>	<b>66%</b>	<b>34%</b>
Austria	68%	32%
Belgium	54%	46%
Denmark	79%	21%
France	63%	37%
Germany	72%	28%
Italy	52%	48%
Netherlands	75%	25%
Poland	55%	45%
Portugal	60%	40%
Russia	46%	54%
Spain	62%	38%
Sweden	81%	19%
Switzerland	64%	36%
UK	74%	26%
<b>Other</b>	<b>68%</b>	<b>32%</b>
Australia	73%	27%
South Africa	53%	47%
UAE	66%	34%

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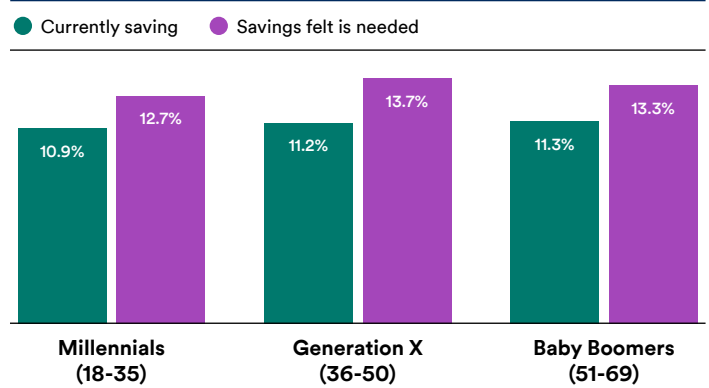
Millennials may currently be a bit naïve as to how much retirement savings they will actually need

# Millennials are saving more than expected, but not quite enough

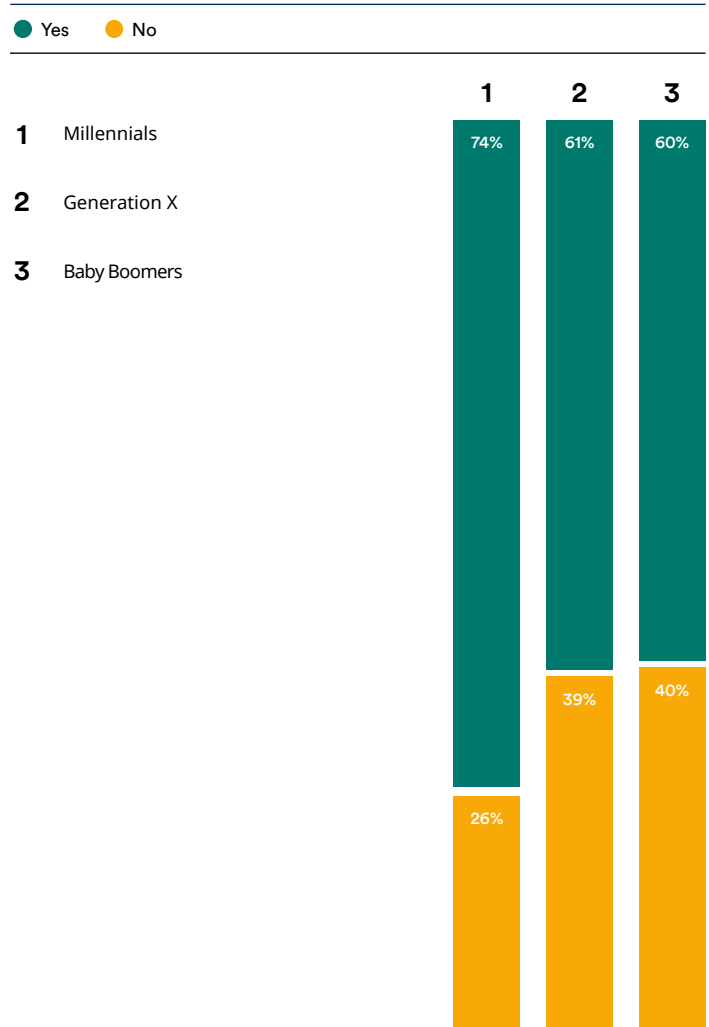
Millennials are saving a marginally lower proportion for their retirement than Generation X and Baby Boomers. However, they also feel they need slightly less than older generations, to live comfortably, to the point where the difference between their current savings and what they feel they should be saving is slightly lower than for their seniors, at 2.0% versus 2.7% for Generation X and 2.2% for Baby Boomers.

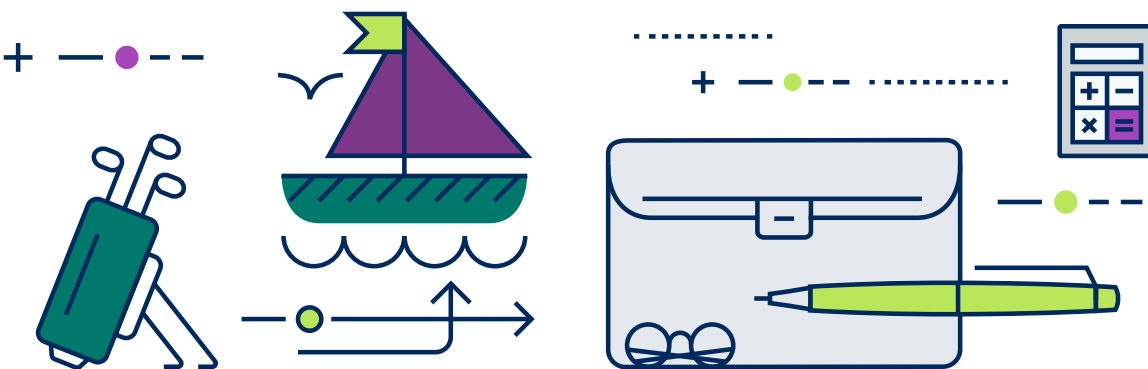
Their optimism on this front is also reflected in their feelings around whether their expected income in retirement will be sufficient for a comfortable life (74%), and the age at which they expect to retire (61.5). This optimism conflicts with the sentiments of those who are already retired (66%; actually retired at 62.5), implying that millennials may currently be a bit naïve as to how much retirement savings they will actually need.

Proportion of annual income saved for retirement  
By generation (non-retired)



Do you feel that your income in retirement is/will be sufficient to provide a comfortable life?  
By generation



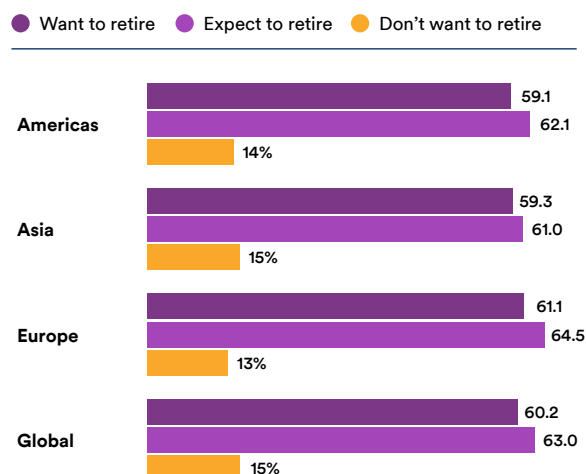


# The need to save more is reflected in a later expected retirement age

Average wanted/expected age of retirement  
By generation (non-retired)



Average wanted/expected age of retirement  
By region



Globally, on average there is a three-year difference between when non-retired investors want to retire (60.2 years old) and when they expect to retire (63.0 years old).

Europe's average expected retirement age is the highest, at 64.5 – almost three-and-a-half years later than desired. People in Asia showed the greatest doubt about their retirement income being enough, but they are also on average expecting to retire the soonest, at 61.

At a country level, Italy shows the greatest difference between when people would like to retire and when they expect to, with a difference of just under 5 years. They are also the country out of all those surveyed where people expect to retire the oldest, at an average of 67.5.

China and South Korea have a similar average for desired and expected ages of retirement, and Thailand and Japan are the only other countries where the difference is under a year.

Australia stands out, with a relatively large 36% not wanting to retire at all.

Millennials want to retire six years earlier than Baby Boomers, who are closer to retirement age, but the latter expect to retire just over a year after they want to, while Millennials anticipate the need to work over three years longer than their ideal retirement age.

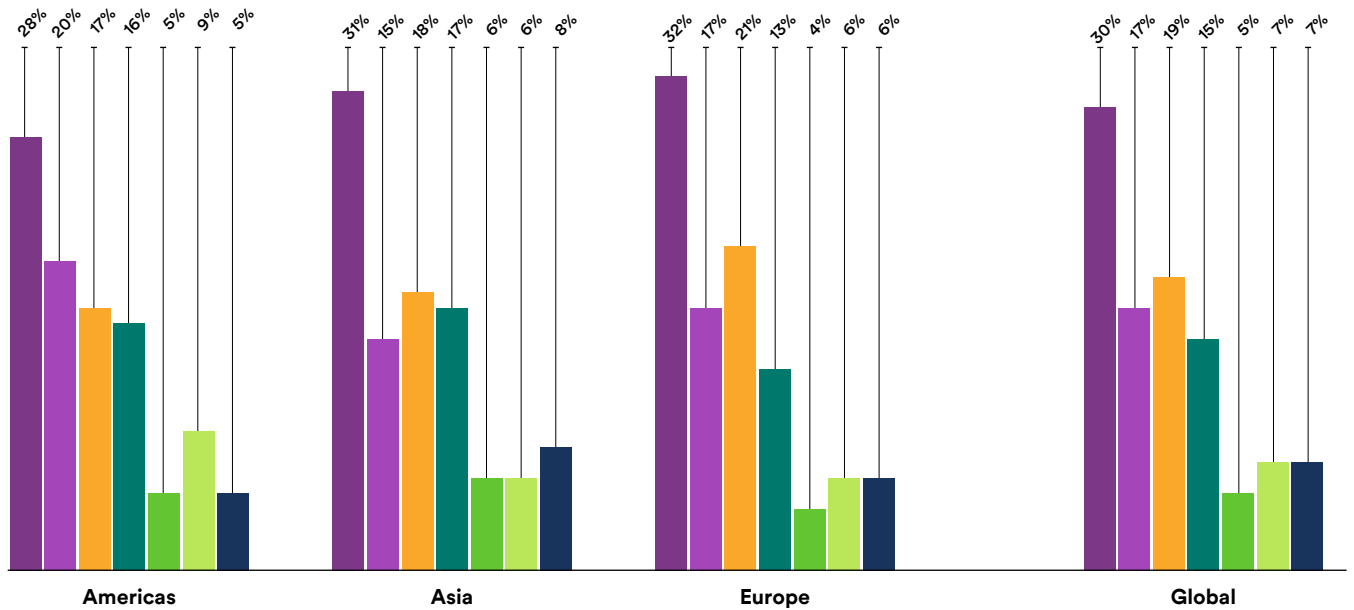
## When do you want to/expect to retire?

Country	Average age people want to retire	Average age people expect to retire	Difference	Don't want to retire
<b>Americas</b>	<b>59.1</b>	<b>62.1</b>	<b>3.0</b>	<b>14%</b>
Brazil	57.9	61.8	3.9	5%
Canada	60.7	63.2	2.5	12%
Chile	61.9	65.3	3.4	8%
US	58.3	60.8	2.5	23%
<b>Asia</b>	<b>59.3</b>	<b>61.0</b>	<b>1.7</b>	<b>15%</b>
China	58.6	58.5	-0.1	10%
Hong Kong	58.9	60.6	1.7	15%
India	59.7	62.6	2.9	16%
Indonesia	55.5	58.1	2.6	9%
Japan	63.4	64.3	0.9	20%
Singapore	58.7	63.3	4.6	19%
South Korea	60.2	60.2	0.0	29%
Taiwan	58.8	62.0	3.2	14%
Thailand	57.4	58.0	0.6	9%
<b>Europe</b>	<b>61.1</b>	<b>64.5</b>	<b>3.4</b>	<b>13%</b>
Austria	60.7	64.7	4.0	10%
Belgium	61.8	64.7	2.9	12%
Denmark	59.3	61.7	2.4	16%
France	60.7	64.3	3.6	13%
Germany	61.3	64.8	3.5	11%
Italy	61.9	67.5	5.6	9%
Netherlands	63.8	66.6	2.8	16%
Poland	61.0	64.2	3.2	13%
Portugal	61.0	63.9	2.9	7%
Russia	58.8	60.8	2.0	17%
Spain	61.7	65.8	4.1	7%
Sweden	61.1	63.5	2.4	16%
Switzerland	60.9	64.6	3.7	16%
UK	59.7	62.4	2.7	20%
<b>Other</b>	<b>60.3</b>	<b>63.2</b>	<b>2.9</b>	<b>28%</b>
Australia	62.0	64.9	2.9	36%
South Africa	60.0	63.1	3.1	15%
UAE	56.8	59.2	2.4	17%

Do you hope to work part-time before you retire completely?

By region

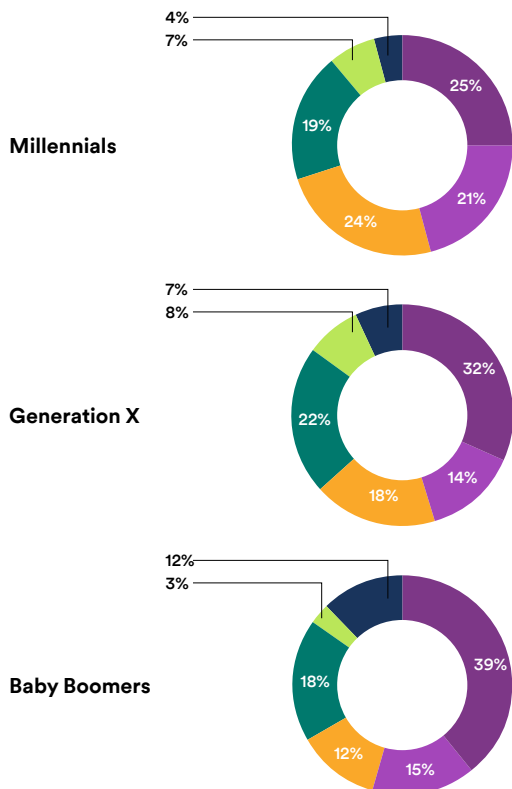
- No, I'd like to work full-time until I retire completely
- Up to 2 years
- 2-4 years
- 4-7 years
- 7-10 years
- Yes, over 10 years
- Not applicable – I don't intend to completely retire at all



Do you hope to work part time before you retire completely?

By generation

- No, I'd like to work full time until I retire completely
- Up to 2 years
- 2-4 years
- 4-10 years
- Over 10 years
- Not applicable – I don't intend to completely retire at all



# The majority hope to work part-time before retiring fully

Globally, a significant 63% of non-retired people who invest globally hope to work part-time before they fully retire, and for an average of 3.4 years.

The Americas have the highest average, with 3.9 years, followed by Asia at 3.4 and Europe at 3.2.

On one hand, working part-time before retiring may encourage people to refrain from tapping into their savings for longer. On the other, compared to remaining in full-time work it is likely to reduce the amount of income being diverted into their retirement fund before they reach retirement.

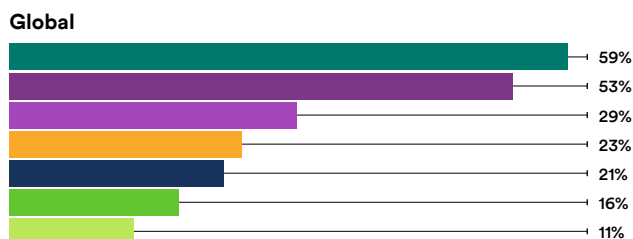
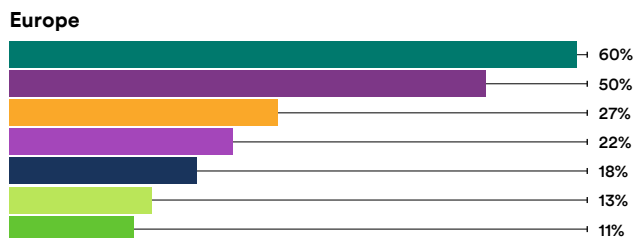
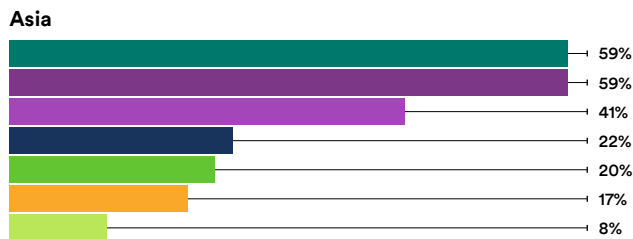
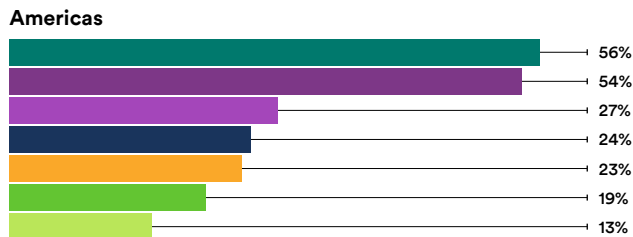
Both non-retired Millennials and Generation X intend to work part-time an average of 3.6 years, with non-retired Baby Boomers only intending to do so for 2.5 years.

A relatively high proportion of Boomers (12%) do not intend to completely retire at all, while only a quarter of Millennials intend to work full-time until they retire completely.

This difference again indicates the older generations have a different expectation of the future than Millennials.

What are you most looking forward to when you think about your retirement?/ What do you enjoy most about being retired?  
By region

- Having more leisure time
- Spending more time with family/loved ones
- Turning your hobby into a source of income
- Not working anymore
- Volunteering
- Working part-time
- Other



# Leisure and family time are the most appreciated outcomes of retirement

When asked to select their top three retirement activities that they currently enjoy or expect to enjoy when retired, the majority of people who invest globally answered either 'having more leisure time' (59%) or 'spending more time with family/loved ones' (53%). These are the two most popular activities across all regions.

In Asia and the Americas, this is followed by 'turning your hobby into a source of income' (41% and 27%, respectively), and in Europe by 'not working anymore' (27%).

Europe has the highest proportion (32%) who want to work full-time before retiring and the lowest proportion (11%) that want to work part-time during retirement. It also has the shortest average number of years for part-time work before retirement; all this indicates that a significant proportion of Europeans want a 'clean break' from working at their retirement age.

The countries most excited about having the time to turn a hobby into a source of income during retirement include:

- Indonesia – 58%
- Thailand – 57%
- Taiwan – 46%
- India – 45%

Those most excited about not having to work are:

- Germany – 34%
- Russia – 33%
- Spain – 33%
- UK – 32%

India stands out, with a significant 40% looking forward to working part-time.

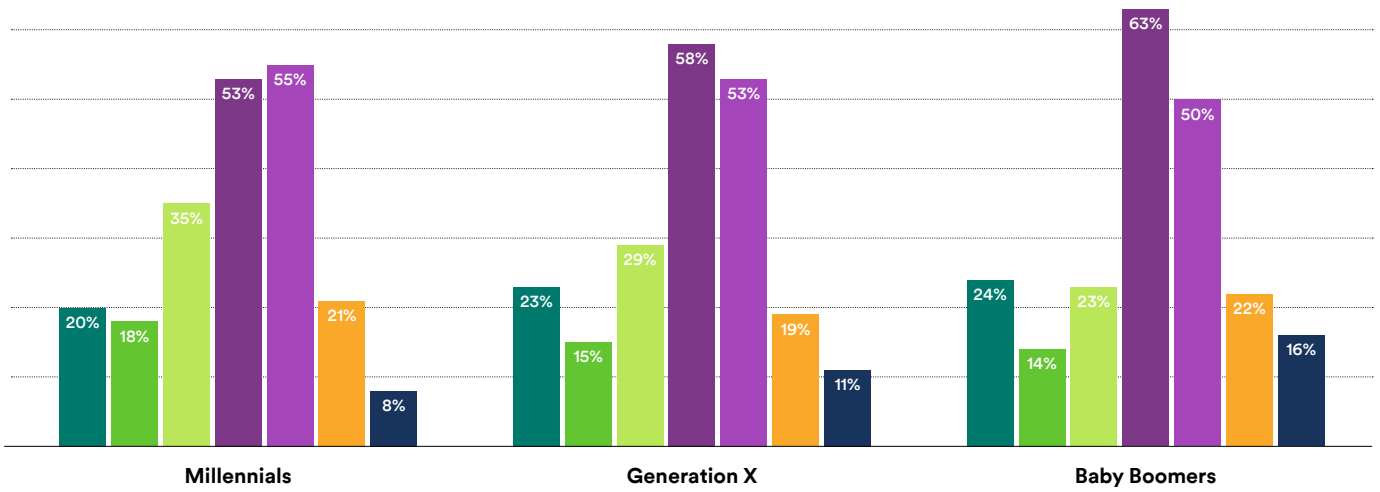


What are you most looking forward to when you think about your retirement?/What do you enjoy most about being retired?

Country	Not working any more	Working part-time	Turning your hobby into a source of income	Having more leisure time	Spending more time with loved ones	Volunteering	Other responses
<b>Americas</b>	<b>23%</b>	<b>19%</b>	<b>27%</b>	<b>56%</b>	<b>54%</b>	<b>24%</b>	<b>13%</b>
Brazil	16%	16%	34%	62%	59%	21%	8%
Canada	31%	13%	20%	62%	51%	25%	16%
Chile	29%	20%	31%	40%	69%	16%	6%
US	21%	24%	26%	52%	49%	27%	15%
<b>Asia</b>	<b>17%</b>	<b>20%</b>	<b>41%</b>	<b>59%</b>	<b>59%</b>	<b>22%</b>	<b>8%</b>
China	14%	14%	39%	70%	70%	23%	4%
Hong Kong	17%	18%	39%	71%	56%	18%	7%
India	10%	40%	45%	44%	62%	26%	10%
Indonesia	8%	16%	58%	61%	79%	20%	5%
Japan	29%	9%	32%	60%	44%	12%	15%
Singapore	19%	20%	32%	64%	58%	34%	13%
South Korea	15%	28%	31%	44%	37%	16%	10%
Taiwan	22%	15%	46%	69%	59%	27%	6%
Thailand	17%	16%	57%	56%	72%	24%	3%
<b>Europe</b>	<b>27%</b>	<b>11%</b>	<b>22%</b>	<b>60%</b>	<b>50%</b>	<b>18%</b>	<b>13%</b>
Austria	23%	788	20%	65%	54%	16%	20%
Belgium	21%	12%	18%	61%	47%	21%	15%
Denmark	21%	14%	21%	44%	44%	22%	15%
France	27%	11%	20%	58%	48%	22%	12%
Germany	34%	8%	22%	63%	51%	17%	11%
Italy	23%	10%	24%	65%	53%	21%	9%
Netherlands	23%	13%	22%	62%	39%	24%	17%
Poland	29%	8%	24%	53%	53%	11%	11%
Portugal	20%	13%	27%	60%	56%	25%	8%
Russia	33%	21%	32%	54%	52%	8%	11%
Spain	33%	6%	19%	63%	59%	16%	8%
Sweden	23%	13%	24%	52%	39%	11%	13%
Switzerland	26%	12%	22%	67%	50%	19%	16%
UK	32%	15%	16%	59%	49%	18%	14%
<b>Other</b>	<b>21%</b>	<b>18%</b>	<b>29%</b>	<b>55%</b>	<b>54%</b>	<b>27%</b>	<b>12%</b>
Australia	25%	15%	23%	55%	47%	27%	12%
South Africa	17%	19%	37%	59%	66%	26%	13%
UAE	8%	28%	41%	52%	67%	28%	8%

What are you most looking forward to when you think about your retirement?  
**Non-retired by generation**

- Not working anymore
- Working part-time
- Turning your hobby into a source of income
- Having more leisure time
- Spending more time with family/loved ones
- Volunteering
- Other



# Money-making plans for retirement don't match reality

When these sentiments are broken down between those who are retired and those who are not, one of the most interesting points of distinction is the difference in attitude around turning a hobby into a source of income.

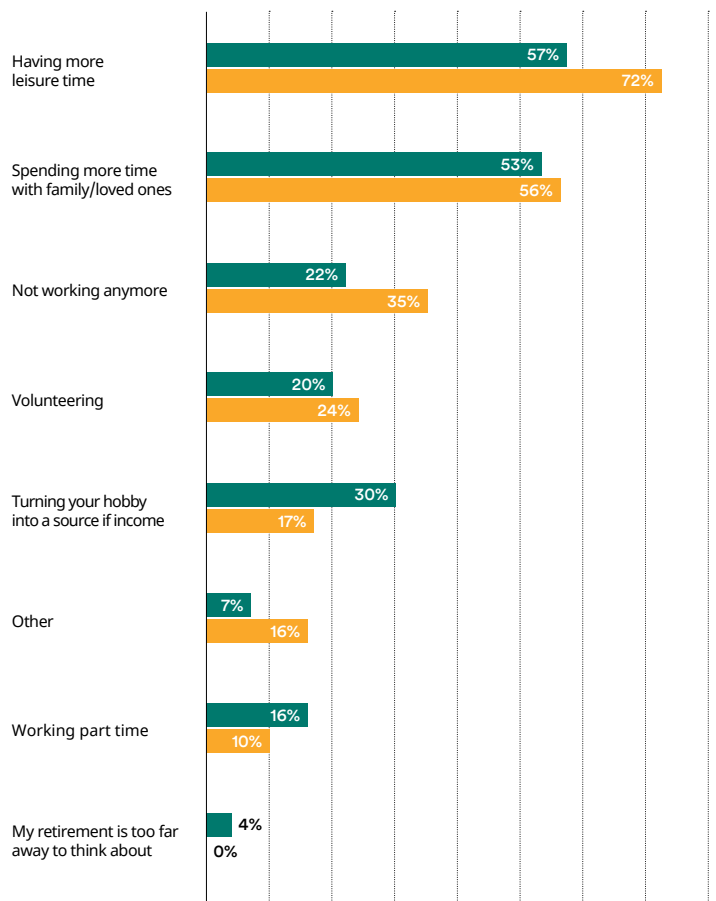
Almost a third (30%) of non-retired people are looking forward to making money from a hobby when they retire, compared to only 17% of people who are retired who consider this a main activity they enjoy during retirement. Instead, retirees are more inclined to enjoy simply not working any more, with 35% saying so, compared to only 22% of those yet to retire feeling it is something they are looking forward to.

When looking at the sentiments of people who are not yet retired across generations, the prospect of turning a hobby into a source of income draws more than the 22% average interest among Millennials (35%), and Generation X (29%).

Notably, increased leisure time becomes more valued as people get nearer retirement age, increases in increments of 5% from 53% to 58% to 63%.

What are you most looking forward to when you think about your retirement?/What do you enjoy most about being retired?  
**Retired vs non-retired**

- Non-retired
- Retired





Thailand and Taiwan have near-universal agreement about the importance of investing

# People’s primary reason for investing is to increase their retirement income

There is surprisingly little variance across regions when it comes to why people are investing. Whether currently retired or not, the number-one reason people invest (based on importance to them) is to supplement retirement income (overall, 74% rated it as ‘important’ or ‘extremely important’). Paying for healthcare comes in second place in the Americas (72%) and Asia (75%), and supplementing current employment income (61%) in Europe.

Thailand and Taiwan have near-universal agreement about the importance of investing for

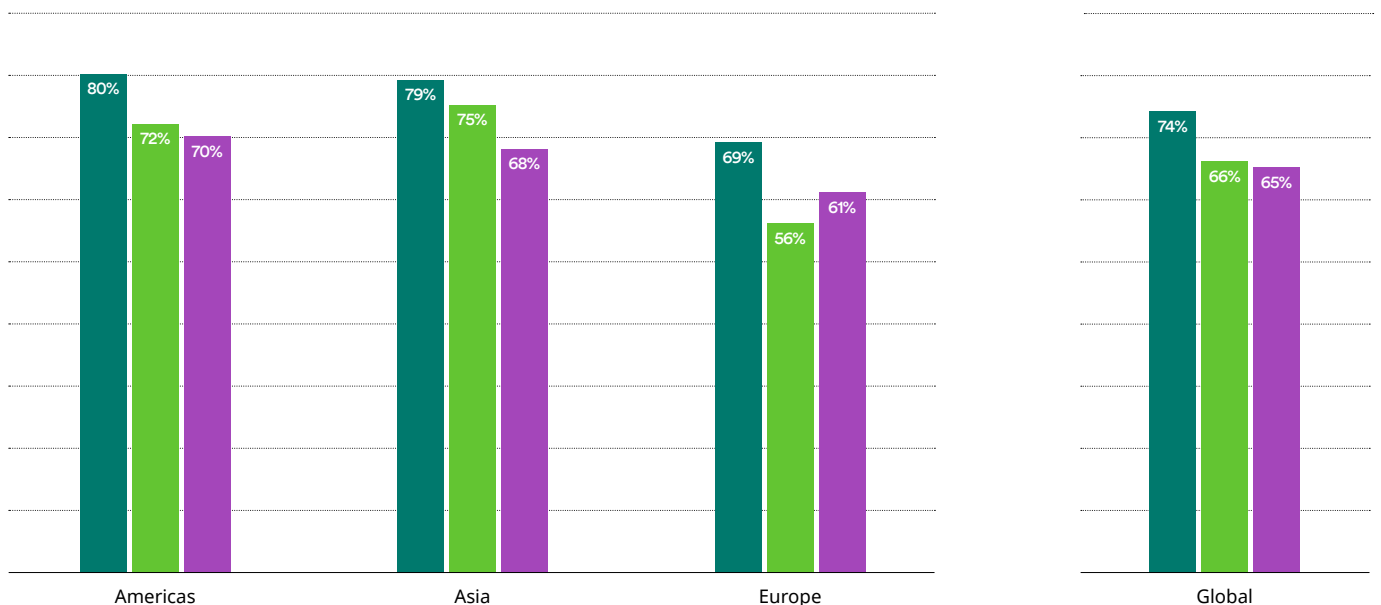
supplementing retirement income, with 90% and 89% of people respectively expressing this priority.

At the other end of the spectrum, only 53% of people in Denmark state that supplementing retirement income is an important reason for investing, followed by 57% in both Sweden and the Netherlands.

This is still a considerable proportion, and indicates the importance of investing as a means of closing the gap between how much people are saving for retirement and what they think they will need.

Thinking about why you invest, how important are each of the following to you?  
**Top three most important by region**

- Supplementing current pension OR saving for future retirement
- Paying for healthcare/medical bills for yourself or a relative
- Supplementing your current employment salary or income



Thinking about why you invest, how important are each of the following to you

Country	Supplementing current pension or saving for future retirement	Paying for healthcare/medical bills for yourself or a relative	Supplementing your current employment salary or income	Paying the educational fees of your children or grandchildren	Being able to provide a lump sum to help your children in the future
<b>Americas</b>	<b>80%</b>	<b>72%</b>	<b>70%</b>	<b>62%</b>	<b>64%</b>
Brazil	83%	80%	80%	72%	72%
Canada	76%	57%	58%	48%	52%
Chile	80%	69%	74%	68%	61%
US	80%	78%	71%	64%	66%
<b>Asia</b>	<b>79%</b>	<b>75%</b>	<b>68%</b>	<b>61%</b>	<b>61%</b>
China	84%	79%	73%	73%	74%
Hong Kong	86%	70%	64%	52%	46%
India	66%	85%	78%	80%	80%
Indonesia	79%	83%	82%	87%	89%
Japan	60%	59%	48%	32%	32%
Singapore	79%	77%	69%	57%	54%
South Korea	60%	57%	55%	47%	46%
Taiwan	89%	81%	69%	52%	54%
Thailand	90%	85%	84%	74%	75%
<b>Europe</b>	<b>69%</b>	<b>56%</b>	<b>61%</b>	<b>51%</b>	<b>56%</b>
Austria	69%	50%	59%	42%	48%
Belgium	66%	58%	62%	44%	50%
Denmark	53%	40%	38%	37%	38%
France	69%	59%	60%	57%	63%
Germany	73%	52%	57%	45%	47%
Italy	74%	67%	69%	61%	65%
Netherlands	57%	44%	54%	41%	47%
Poland	74%	65%	69%	62%	71%
Portugal	78%	71%	70%	68%	68%
Russia	82%	76%	82%	73%	75%
Spain	74%	55%	67%	64%	63%
Sweden	57%	46%	55%	35%	48%
Switzerland	67%	49%	57%	45%	42%
UK	75%	56%	58%	47%	60%
<b>Other</b>	<b>76%</b>	<b>74%</b>	<b>65%</b>	<b>58%</b>	<b>61%</b>
Australia	73%	72%	60%	49%	54%
South Africa	84%	79%	76%	68%	65%
UAE	75%	79%	72%	80%	82%

“

## People from Europe are more cautious in their return expectations

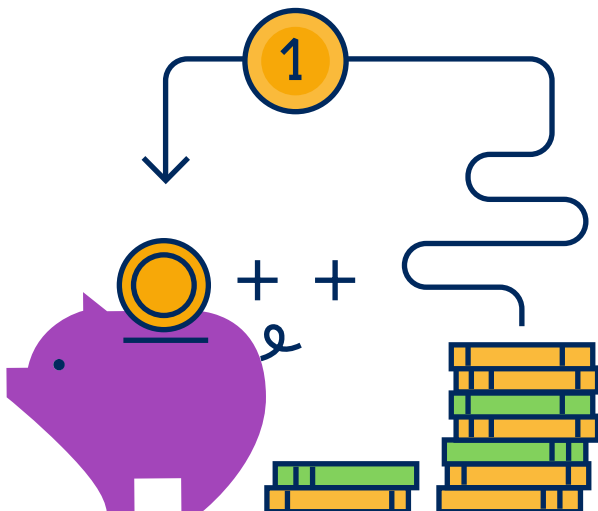
Looking at the generations, Millennials and Generation X share the same top three reasons for investing: supplementing current pension or growing future retirement savings, supplementing current employment income, and paying for healthcare/medical bills.

These are the same top three reasons for Baby Boomers, but the order differs from the rest: paying for healthcare/medical bills is rated second.

Supplementing current or future retirement income is the top cross-geographical, cross-generational reason for investing. This suggests that most people’s investment returns directly impact retirement income. Better investment decisions might therefore be central to helping people who invest close the gap between what they are currently saving for retirement and what they expect to need.

### Top three reasons for investing By generation

- Supplementing current pension or growing pensions savings for future retirement
- Supplementing your current employment salary or income
- Paying for healthcare/medical bills for yourself or a relative





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Schroders commissioned Research Plus Ltd to conduct, between 1 and 30 June 2017, an independent online study of 22,100 people in 30 countries around the world, including Australia, Brazil, Canada, China, France, Germany, India, Italy, Japan, the Netherlands, Spain, the UK and the US. This research defines 'people' as those who will be investing at least €10,000 (or the equivalent) in the next 12 months and who have made changes to their investments within the past 10 years.

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