

FTSE Russell US retail investor survey 2025

What 750 respondents reveal about
Gen X, Millennials and Boomers





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Foreword

For more than 40 years, FTSE Russell has provided trusted market data and index solutions, supporting the wealth community with high-quality tools for asset allocation planning.



“To sum up, the insights from our 2025 survey highlight our ongoing support for financial advisors and the greater wealth management community as things continue to change.”

Today, FTSE Russell indices are reflected in over \$1.6 trillion in ETF assets.¹ As markets and client needs have grown increasingly complex, our mission remains the same: to help advisors understand and meet the evolving expectations of their clients. Now in its third year, the FTSE Russell Retail Investor Survey offers valuable insights into how investors are using index-based investments, the support they seek from their advisors, and their outlook for the future.

The results of this year’s survey reveal several valuable insights that are particularly relevant to the wealth management community and financial advisors serving clients. Notably, over 90% of clients report satisfaction with their financial advisor. Furthermore, investor sentiment remains strong, with 73% expressing

a positive outlook for their portfolios over the next 18 months. These findings underscore the significance of engaging with a financial advisor, especially amidst periods of market volatility and uncertainty.

As the population continues to age and Boomers enter retirement, subsequent generations – Generation X and Millennials – are beginning to recognize that their own retirements are approaching and are considering the associated challenges. Notably, 40% of Generation X reported feeling stressed about their investment portfolios, compared to 29% of Millennials and 31% of Boomers.

To sum up, the insights from our 2025 survey highlight our ongoing support for financial

advisors and the greater wealth management community as things continue to change. By sharing timely data and practical perspectives, we hope to give you the tools you need to help your clients with whatever lies ahead. We trust this research will be a helpful resource as you build client trust and work toward great results together.



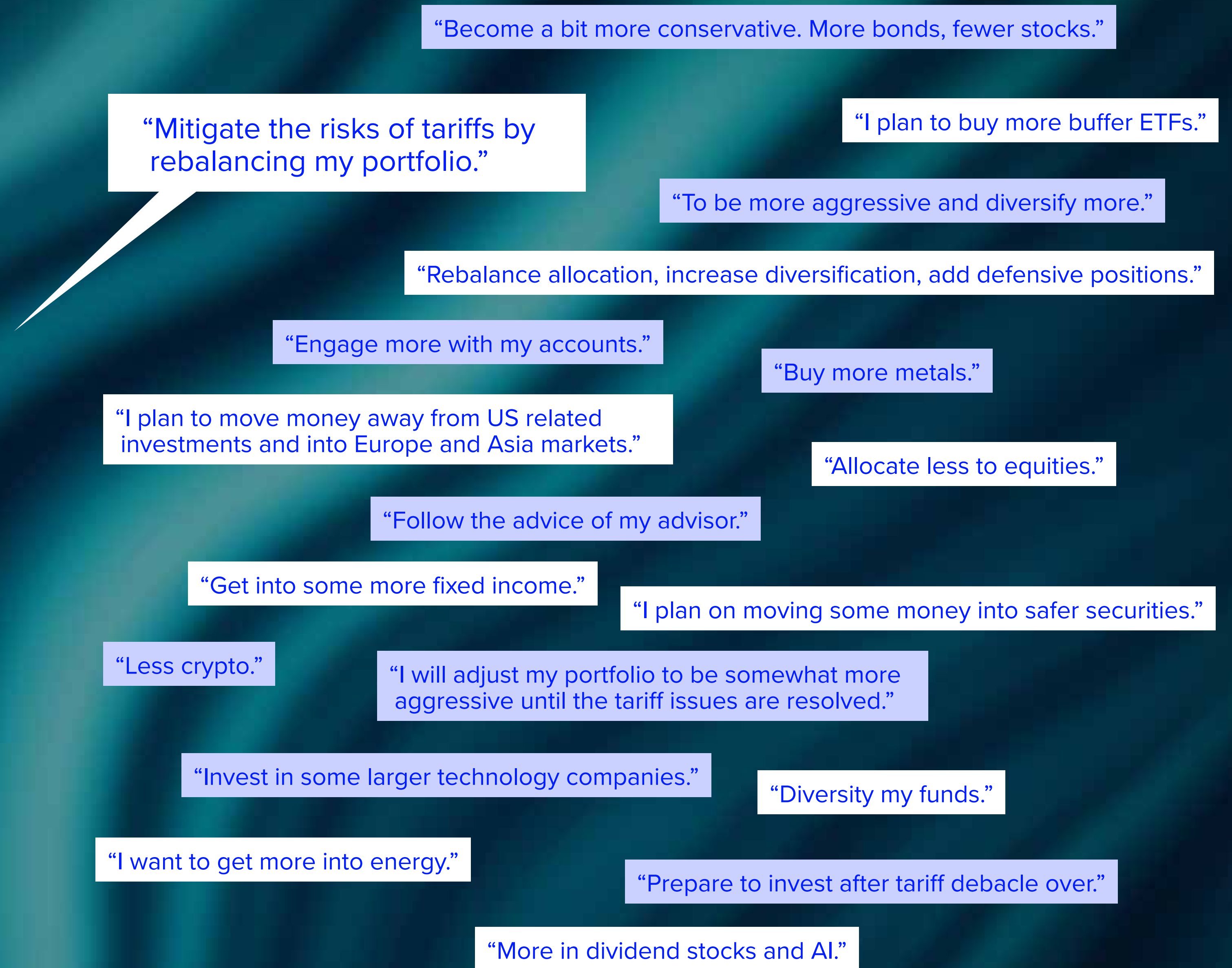
Fiona Bassett
CEO, FTSE Russell



¹ Based on FTSE Russell clients as of 31 December 2024.

What adjustments do you plan to make to your portfolio over the next 12 months?

FTSE Russell surveyed over 750 advisors to better understand how investors use index-based investments, support from advisors, and their outlook for the future.



Executive summary

A year of uncertainty reveals high trust in advisors, a Gen X opportunity and interest in buffer ETFs

In the midst of a rollercoaster year for stock markets, affluent investors generally retain high trust in their advisors. As Gen X approaches retirement, though, it's least confident and most open to a more tailored service.

Key takeaways

- **Amid a year fraught with uncertainty**, advisors have retained a high level of investor trust and helped them to stick to their strategies, according to a FTSE Russell survey.²
- **In an apparent disconnect**, though, investors remain optimistic about their own portfolios but less so regarding the equity market and economy. They're especially nervous about inflation.
- **Feeling under financial pressure**, Gen X is the generation that's most stressed about its investments and least happy with its advisors. There's an opportunity to offer more customized service through tools like direct indexing.
- **Index fund usage remains high**, especially among Millennials. However, there's significant interest in strategies suited to uncertain times like buffer ETFs.

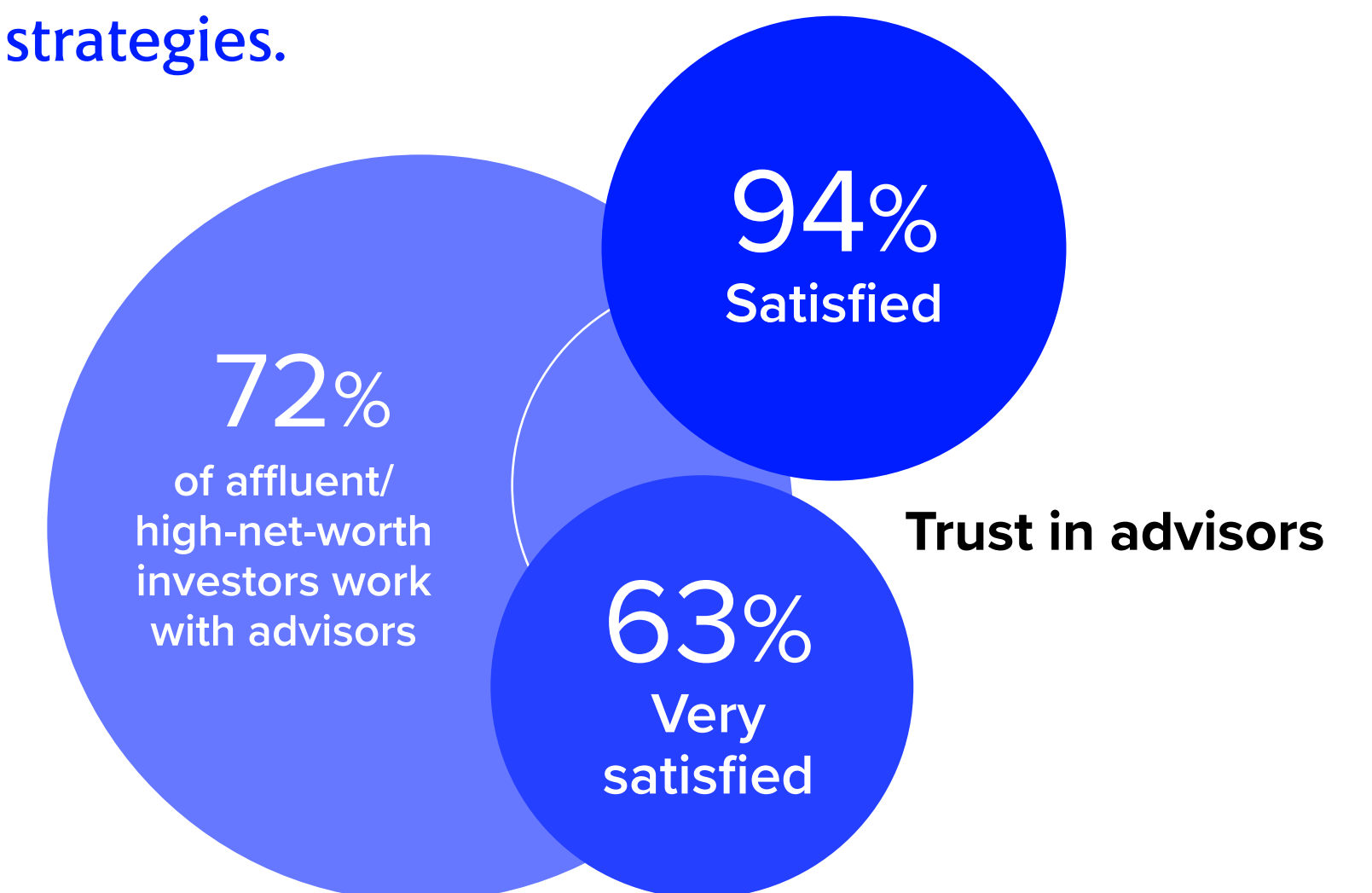
² A survey of 750 U.S. retail investors was conducted between June 2 and June 11, 2025 in partnership with 8 Acre Perspective, an independent marketing research firm. Respondents had a minimum of \$250k + in investable assets (not including workplace accounts/real estate). 278 of the 750 respondents had \$1m + in assets. For more details see 'A few facts about our research' at the back of this document.



Amid rollercoaster markets, investors retain high trust in advisors

At a time of volatility and uncertainty, financial professionals are proving their worth by communicating with investors and encouraging them to stick to their strategies.

After a volatile first half of 2025, investors continue to place high trust in their advisors and satisfaction remains strong. Almost three quarters (72%) of affluent and high-net-worth investors continue to work with advisors. And they remain more than content – virtually all are satisfied (94%) and almost two thirds (63%) are very satisfied.





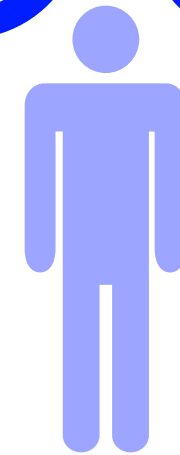
**very satisfied
with their portfolios'
performance with advisors**

15% of self-directed
investors

Advised investors show greater optimism than self-directed counterparts

Notably, investors with advisors are more likely to be bullish than those without. They're nearly two and a half times more likely to be very satisfied with their portfolios' performance this year (35% are, against just 15% of self-directed investors). What's more, they're twice as likely to have a positive outlook on their portfolios over the next six months (24% of them view the second half of 2025 positively, compared with 12%).

96%



**are confident
in advisor's
ability to
guide**

Strategic communication builds client confidence during market uncertainty

Through 2025's volatile early months, as tariff uncertainty roiled markets, advisors' well-judged communication bolstered their clients' confidence. Almost nine in 10 (88%) investors feel they received the right amount of contact from advisors over the six months. Almost all (96%) agree they're confident in the advisor's ability to guide them through periods of high volatility.



**Advised
not to change**

48%

**Exploit
cheaper stocks**

18%

**Reallocate
to more
conservative**

16%

Advisors guide clients through strategic portfolio decisions

By encouraging investors to weather the storm, advisors served them well. Almost half (48%) of investors were advised not to change portfolios, while almost a fifth (18%) were recommended to exploit cheaper stock prices to buy more. A similar number (16%) were advised to reallocate to more conservative investments.

97%

**of investors follow or plan
to follow advice**

High compliance rate validates advisor guidance strategy

Almost all (97%) investors have followed, or plan to follow, the advice received – either partially or fully. As equity markets have rebounded, it's hardly surprising they consider themselves well served.



Investors are bullish about their portfolios, less so the economy

In an apparent contradiction, investors remain optimistic about their portfolios, but less so about the stock market, stubborn inflation and the economy.

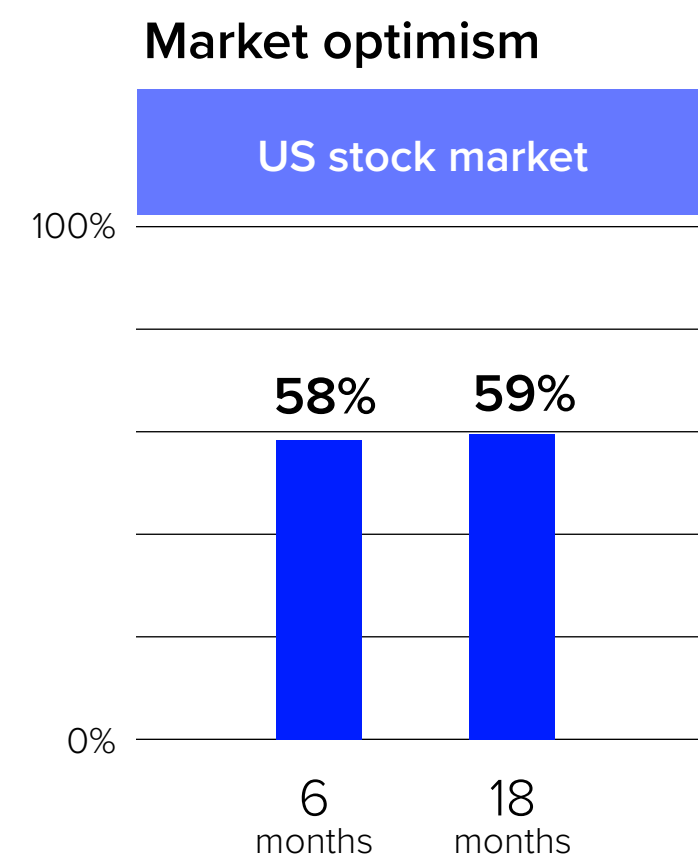
Whether they have advisors or not, investors' views are full of contradictions. Most notably, there's a disconnect between how they see their own portfolios and their views about the broader economy, inflation and financial markets.

Strong portfolio confidence dominates investor outlook

Looking forward, the overwhelming majority are optimistic about their portfolios. Three quarters (75%) say they're positive about the next six months, with almost as many (73%) being so over 18 months.

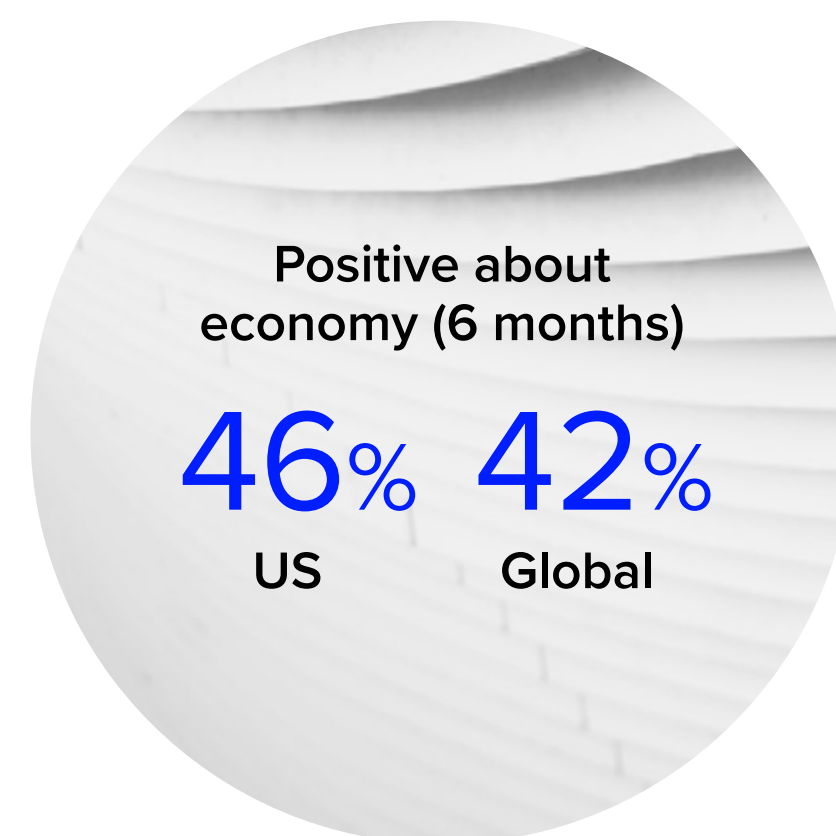
Portfolio optimism for months ahead





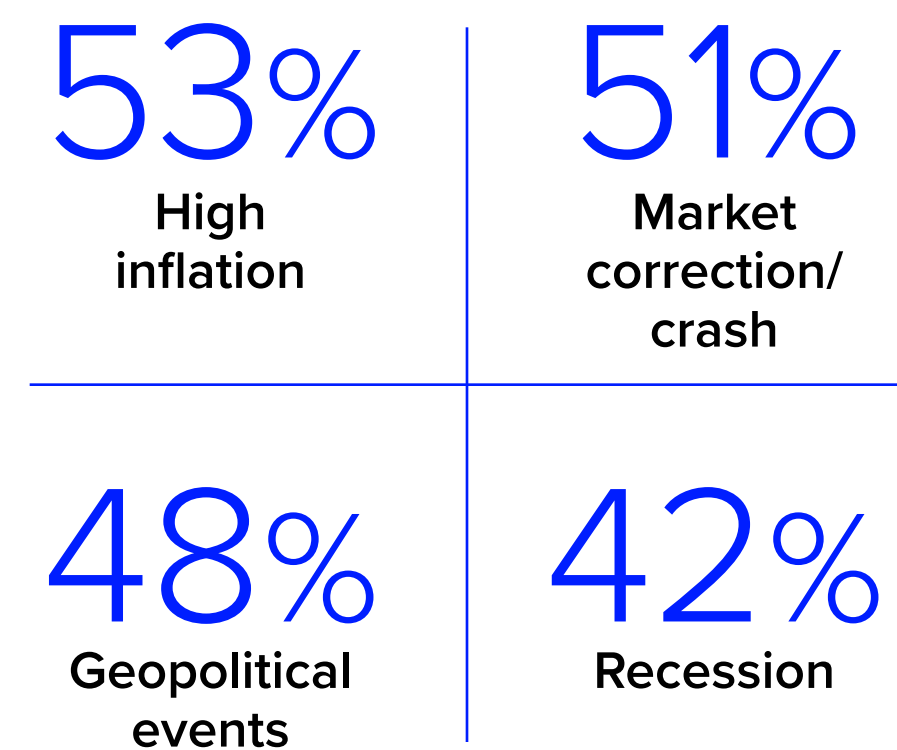
Cautious sentiment emerges for broader markets and inflation

Yet they're not quite so optimistic about the broader U.S. stock market – and they're even less so about inflation and the economy. Notably, about six in 10 (58%) are positive about the U.S. stock market over six months and roughly the same (59%) over 18 months. With inflation remaining stubbornly above the Fed's 2% target rate, though, only approaching a third (31%) think it will prove a positive factor over six months, although this proportion rises to four in 10 (39%) over 18 months going into 2026.



Mixed confidence levels span domestic and global economic outlook

Turning to the U.S. economy more broadly, around half feel positive about what's coming over six (46%) and 18 months (51%). When thinking about the global economy (outside the U.S.), investors feel less confident. Only about four in 10 (42%) are positive over six months, although more (49%) are over 18.

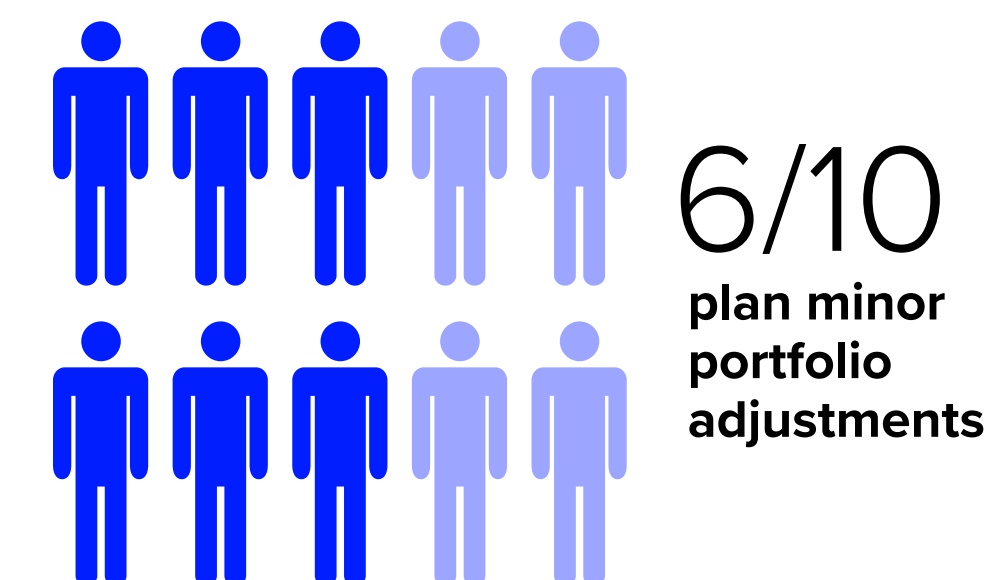


Key risk factors create anxiety despite portfolio confidence

Despite the confidence expressed in their portfolios, roughly half of investors are nervous about four factors impacting performance.

These are:

- High inflation eroding real returns (according to 53%)
- Major stock market correction / crash (51%)
- Geopolitical events (48%)
- A prolonged recession (42%).



Minor portfolio adjustments planned despite underlying concerns

Even so, they don't intend to change much. About six in 10 (62%) investors plan to adjust their portfolios in the next 12 months, with most anticipating only minor changes. Most commonly, they intend to generally rebalance portfolios (17%). Other common intentions are to invest more in general (13%) and be more conservative (12%).



Turning Gen X anxiety into customization opportunity

Under financial pressure, Gen X feels uncertain and under-served by advisors, creating opportunity for financial professionals ready to adapt

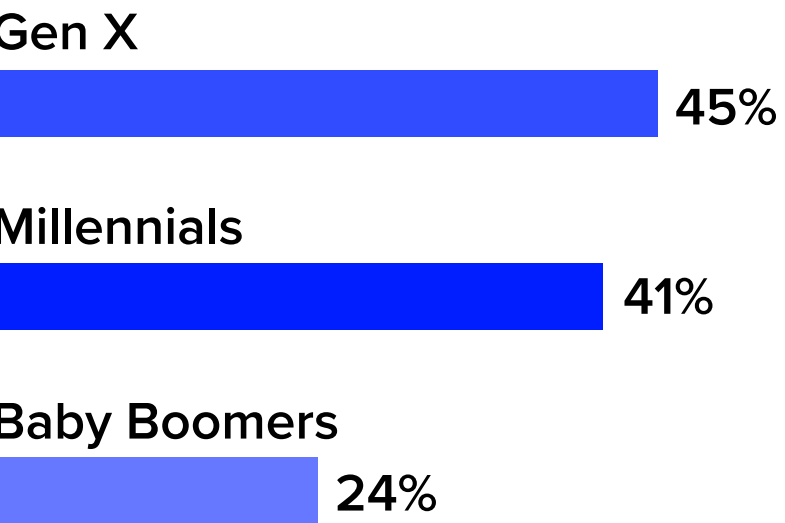
It's striking that Gen X,³ in its 40s and 50s, is the anxious generation that's least happy with its advisors. With retirement impending, financial pressure is mounting – yet Gen X is also the likely beneficiary of the coming 'great inheritance'. For advisors, Gen X's disquiet presents an opportunity.

Just thinking about investments makes Gen X worry. Four in 10 (40%) admit to feeling stressed when thinking of their portfolios. By contrast, only about three in 10 Baby Boomers (31%) and Millennials (29%) feel stressed.

"...Gen X is also the likely beneficiary of the coming 'great inheritance'. For advisors, Gen X's disquiet presents an opportunity."

³ Gen X were born from 1965 to 1980; millennials 1981 to 1996; baby boomers 1946 to 1964.

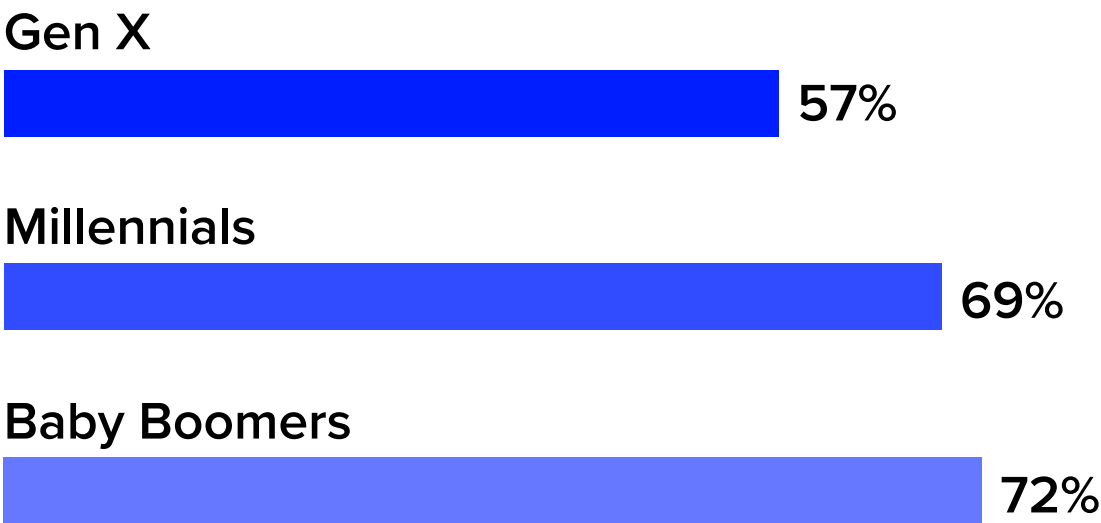
Concerned about achieving their financial goals over five years:



Retirement concerns weigh heavily on Gen X and Millennials

Bearing the scars of recent market volatility, more than four in 10 (45%) Gen X are concerned about achieving their financial goals over five years. By contrast, just a quarter (24%) of Baby Boomers worry, although more Millennials (41%) admit concern. Specifically, many investors fear delaying retirement. Almost half of Gen X (46%) and Millennials (49%) agree this is the case. With many Baby Boomers already retired, though, just a fifth (18%) of them agree.

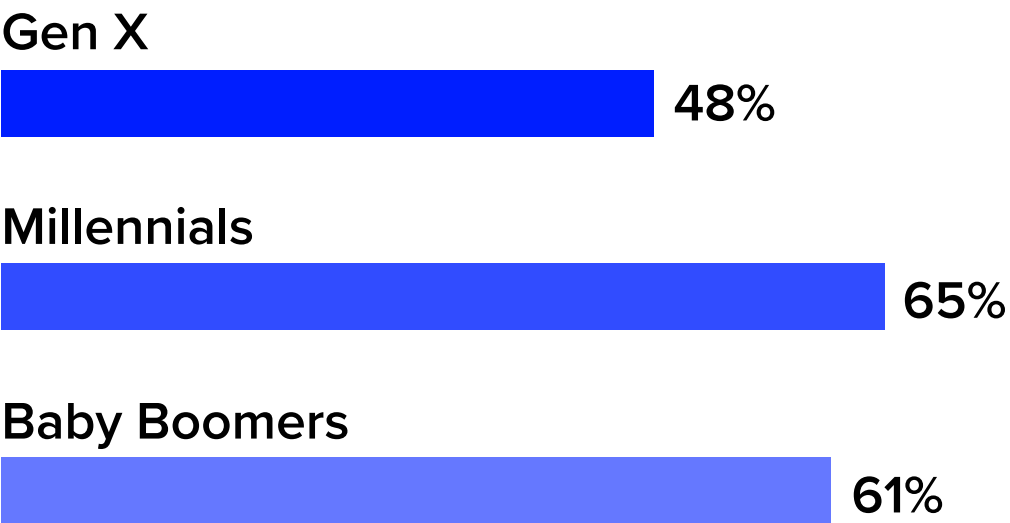
Very satisfied with advisors:



Gen X shows lowest satisfaction with advisor services

Despite investors’ generally high satisfaction with advisors, Gen X is least happy – presenting an opportunity for those able to deliver the service required. Only a little more than half (57%) of Gen X is very satisfied with advisors. That’s far less than Millennials (69%) and Baby Boomers (72%).

Advisors meet their individual needs with tailored solutions:



Standardized services fail to meet Gen X customization needs

The problem appears to be related to excessively standardized investment services. Under half (48%) of Gen X strongly agrees that advisors meet their individual needs with tailored solutions. That’s less than two thirds (65%) of Millennials and a similar number of Baby Boomers (61%).

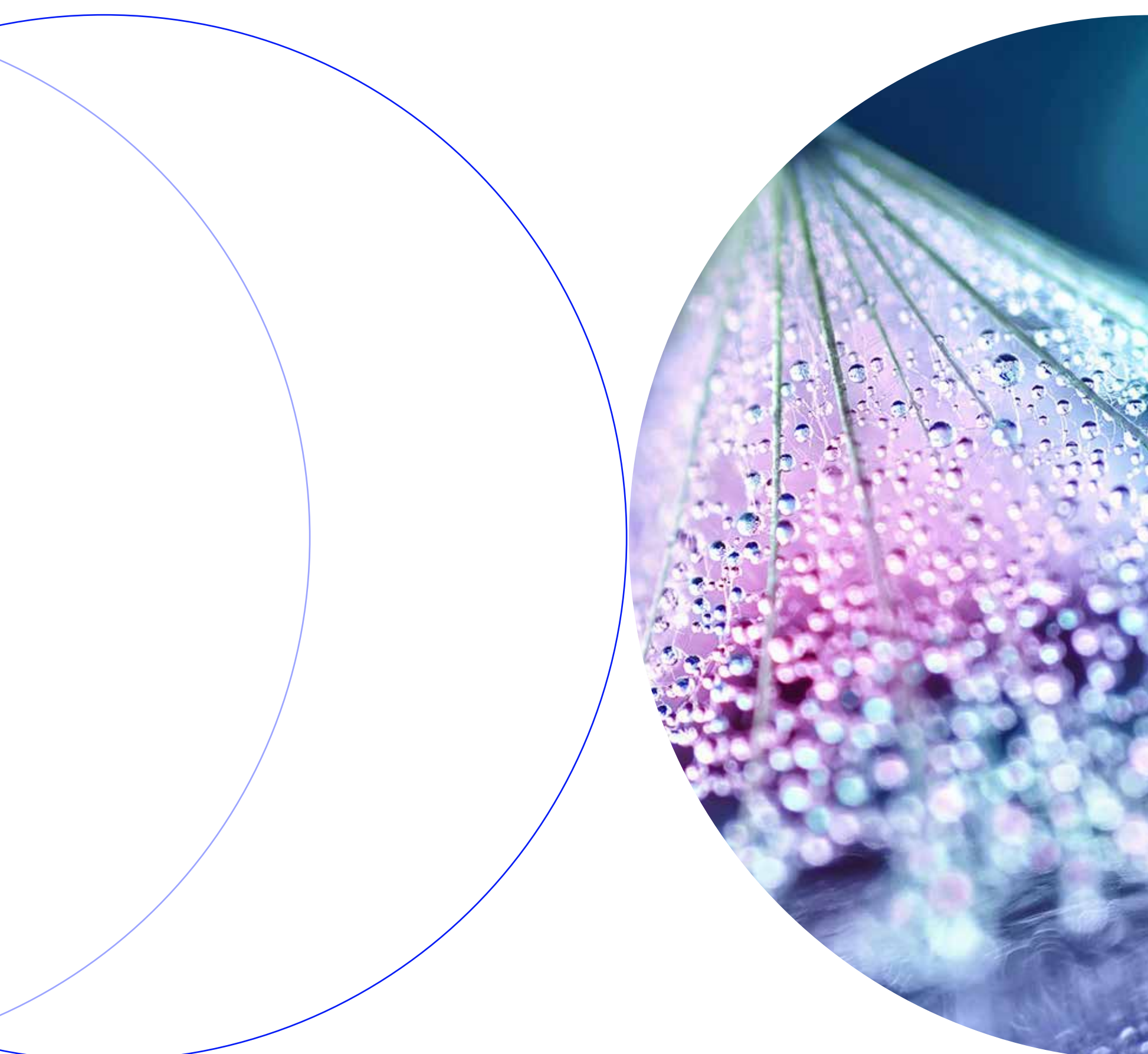


Direct indexing presents solution for personalized investment approach

Yet the rise of direct indexing offers a tool that enables the forward-thinking advisor to meet Gen X’s need for greater customization. Most advisors are looking to step up their use of it, as our recent survey showed.⁴ DI has great potential for tax efficiency and diversifying portfolios.

³ Direct indexing: a critical tool for wealth managers. May 2025.





With index fund usage high, interest in buffer ETFs rises

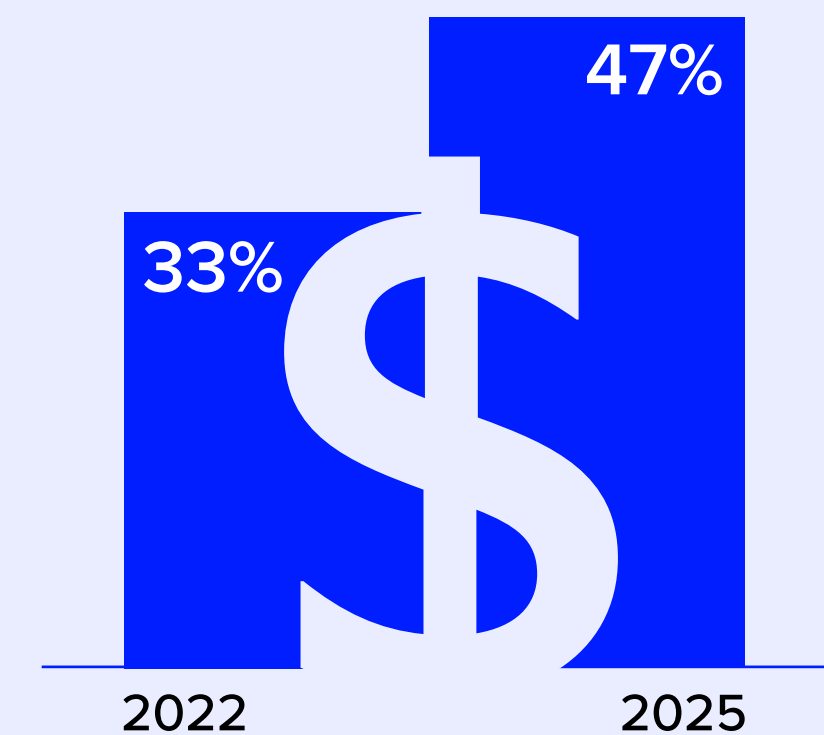
Index fund usage is holding steady, especially among Millennials. Market uncertainty is stimulating interest in buffer ETFs and active strategies

While index fund investing is steady at far higher levels than in previous years, its growth has paused. At the same time, market uncertainty appears to have stoked enthusiasm for buffer ETFs, as well as active strategies.

Strong index fund ownership and knowledge levels persist

Almost half (47%) of investors own index funds – the same percentage as in 2024 but far higher than in 2022 (33%). What's more, approaching a third (30%) view themselves as knowledgeable about how index funds work. Again, that's far higher than a quarter (24%) in 2022.

Index fund ownership



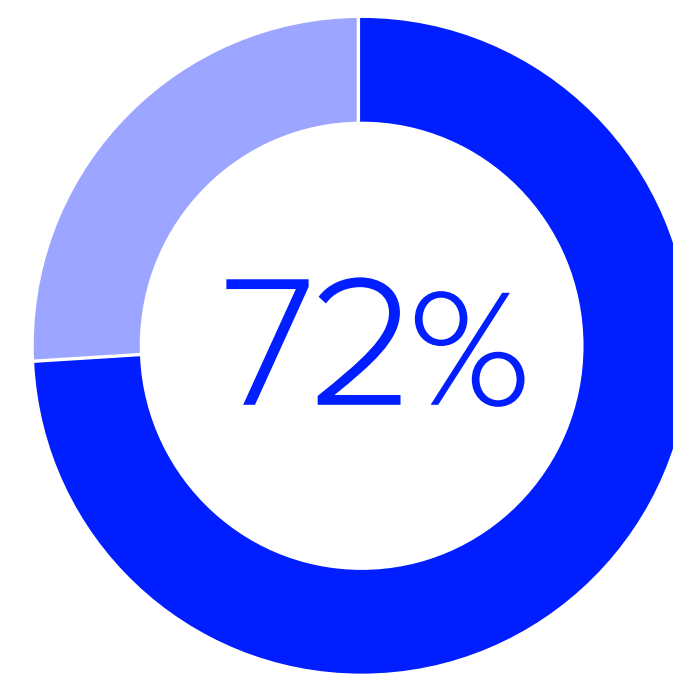


56%

invest in index funds, and
44% consider themselves
very knowledgeable

Millennials are most enthusiastic

More than half (56%) of them currently invest in index funds. What's more, over four in 10 (44%) think themselves very knowledgeable or expert, which compares with only about one in three (30%) Gen X and a quarter (24%) of Baby Boomers.



Buffer ETFs appeal
to affluent investors

Buffer ETFs gain appeal amid market volatility concerns

Perhaps due to market volatility, investors like the idea of buffer ETFs. These ETFs limit losses when markets fall, albeit at the cost of a cap on gains. Though just a third (33%) of investors either own or are familiar with buffer ETFs, the concept appeals to almost three quarters (72%) of affluent investors.

97%

of investors plan to maintain or
increase index funds over the
next 12 months

Active fund optimism doubles for remainder of 2025

In another sign of uncertain times, investors are twice as likely to think active funds will outperform in the rest of 2025. Half (50%) of investors expect active funds to outperform passively managed index funds in 2025, while just a fifth (20%) anticipate index funds outperforming.

Almost all (97%) investors plan to maintain or increase their use of index funds over the next 12 months. Millennials are most bullish – well over half (59%) plan to grow their index investments, far higher than a third (34%) of Gen X and a quarter of Baby Boomers.

Conclusion

Affluent investors bear the scars of 2025’s market volatility, which has revealed a requirement to complement normal index funds with more innovative products.

- Our survey reveals how affluent investors have weathered 2025’s stock market volatility, placing high trust in their financial advisors and sticking to their strategies.
- Gen X, who are most concerned about their financial future, are expressing disquiet about low levels of customization. This ambivalence presents an opportunity that can be addressed through innovative products.
- For instance, direct indexing provides greater flexibility for tax efficiency and diversification of portfolios.
- Investors also have an interest in buffer/outcome ETFs. These can be used to provide the greater certainty that some affluent investors seek.



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Learn more about
FTSE Russell retail investing →

A few facts about our research

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Respondents were aged 25 and over, with a minimum of \$250k + in investable assets (not including workplace accounts/real estate).

278 of the 750 respondents had \$1m+ in assets. Their investments included mutual funds, ETFs and/or individual stocks.

All the investors taking part were involved in their households' decision making.



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For over 40 years we have been at the forefront of driving change for the investor, always innovating to shape the next generation of benchmarks and investment solutions that open up new opportunities for the global investment community.

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