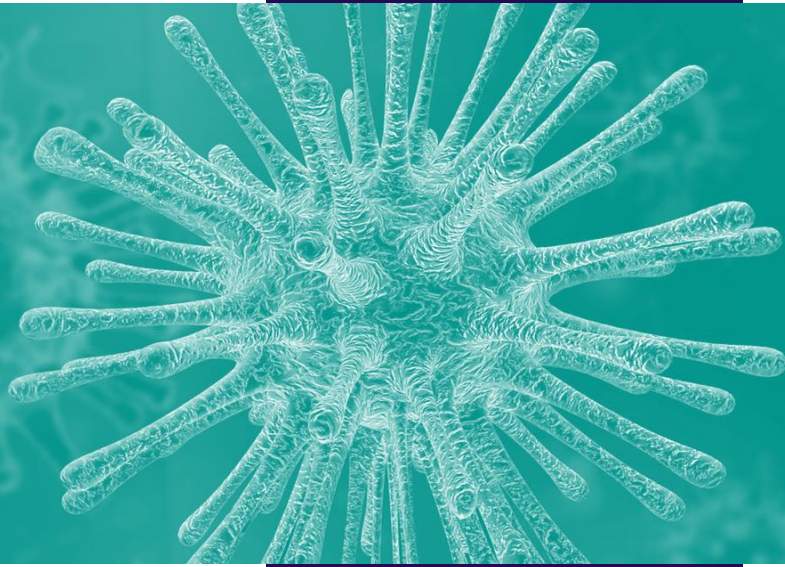




escalent



Vol. 3 - Financial Services Market Research Perspectives

Continuing coverage of COVID-19's impacts on the financial services industry

March 23, 2020

This volume contains a first look (of a series) at reactions from individual affluent investors. Updates on advisor perspectives coming soon.

We would also like to take this opportunity to invite you to a free webinar hosted by Linda York and Meredith Lloyd Rice of Cogent Syndicated that will discuss both affluent investor's fears, as well as advisor's reactions in the eye of the COVID-19 storm.

COMPLIMENTARY WEBINAR

Advisors In the Eye of the Storm

DATE: Tuesday, March 31

TIME: 2-3pm EST

TO REGISTER: Email cogent@escalent.co



Hosted by Cogent Syndicated.

We've got you covered.

What to do:

1

**Attend The
Free Cogent
Webinar**

2

**Monitor
Changes
Over Time**

3

**Support
Decisions
With Data**

Tracking the Emergence of Investors' Fears

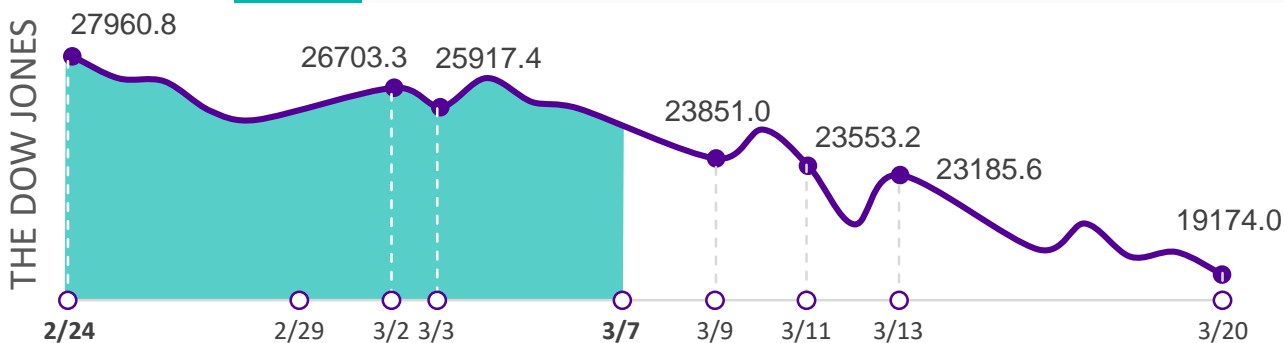


“As concern among investors built, the Dow began to slide – moving from 27,960 at the start of interviewing to near 23,851 by the close of this phase. We are tracking the data in waves. This ‘emergence’ wave shows early growth of concerns, and that initial fears were focused more externally given a fundamental belief that the storm could still be weathered.”

– Chris Barnes, Chief Product Officer and Managing Director of Financial Services

35%

of affluent investors rank infectious disease as their #1 concern with respect to their investments and overall financial health, while a growing number say their biggest fear is a market recession.



2/24 ○ Start of Fieldwork

35 confirmed cases in the US
 Trump asked Congress to allocate \$1.25 billion in emergency funds to prepare

2/29 ○ First death in the US

Government increases travel restrictions
 Total worldwide cases 87,000

3/3 ○ US approves widespread testing

Total confirmed cases 90,000, death toll around 3,000

3/7 ○ End of Fieldwork

3/11 ○ WHO declares a pandemic

3/13 ○ Trump declares national emergency and makes \$50 billion available to combat

3/20 ○ Multiple states have mandated shelter-in-place

Total confirmed cases rise to >254,000, death toll at least 10,000

“Coronavirus has started to disrupt the economy and is currently the biggest threat. The question remains how bad is it going to get and how long will it last.” – Affluent Investor

“Current biggest concern is the effect of the coronavirus, shutting down manufacturers in crucial geographic areas (e.g. China) and making components and products unavailable for computers, cars, etc.” – Affluent Investor

Tracking the Emergence of Investors' Fears



“Cogent Syndicated has been preemptively tracking the effects of this global health crisis on two critical populations: affluent investors and advisors. Affluent investor data is now available for the emerging, pre-pandemic time period of 2/24-3/7/20. As promised, we’re sharing highlights from the first wave of our investor research here, and will continue to monitor the sentiment and behaviors of financial advisors and affluent investors for weeks (or months) to come.

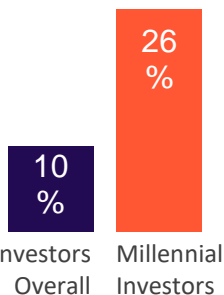
– Linda York, Senior Vice President, Cogent Syndicated



of affluent investors mention the COVID-19 virus and its impact on the stock market as their biggest concern for the global economy as a whole.

In this ‘emergence’ period, 37% of affluent investors (total as well as Millennial) were at least somewhat confident in the stability of the global economy. However, Millennial affluent investors hold that opinion more strongly.

Extremely confident in the stability of global economy



38% Feel coronavirus will have a substantial impact on foreign economic stability.

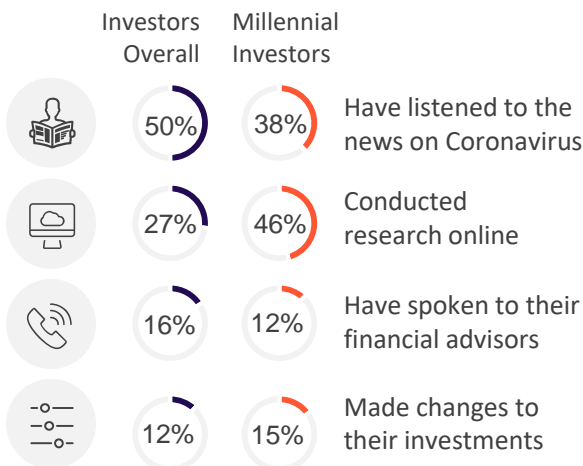
27% Think coronavirus will have a strong impact on the US economy.

This points to the prevailing confidence investors have in the US economy and (in hindsight) a bit of naiveté on investors’ parts that the US would not feel as large a disruption as other parts of the world.

35% of affluent investors think the coronavirus will have at least some impact on their personal investment decisions, and we see the level of concern growing from week to week.

Affluent investors anticipate losing money and becoming more conservative in their investment choices going forward. Interestingly, nearly a fifth (18%) of Millennial investors don’t think the coronavirus will have any impact on their investments at all.

Actions Taken As a Result of COVID-19



Cogent Beat™ Investor Methodology

- Online survey
- Representative sample of 1,152 affluent investors (\$100k+ in investable assets)
- Fielding period: Feb 24 – Mar 7, 2020

Cogent Beat continuously tracks sentiment and behaviors of financial advisors and affluent investors.

Have additional questions? Escalent can add a proprietary module within the survey for you. Talk to us.

We've got you covered!

Our financial service research experts understand your needs and are continuously tracking what is impacting your research and your business. Let's continue our strategic partnership to keep research moving forward in a time when the financial services sector needs it more than ever.

Meet just a few of our financial service research experts:



Talk to us

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About Escalent

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