



The Millennial influence on technology and investing

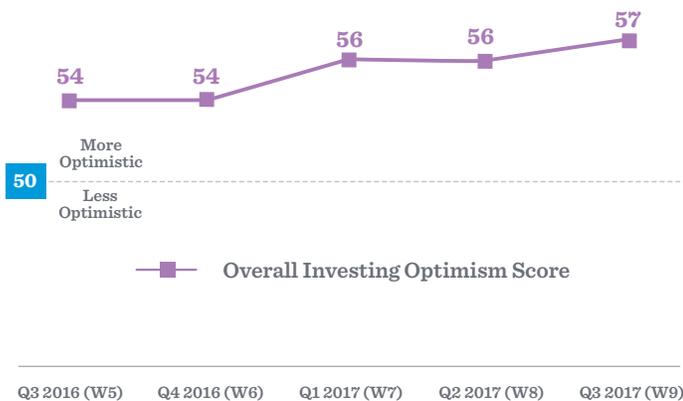
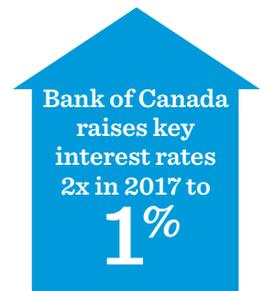
Online investing isn't new, yet the pace at which technology has evolved in recent years and the surge in innovation in financial technology (Fintech) has brought about significant change in the accessibility and ease of managing our investments online. Long past are the days when investors bought and sold stocks using online discount brokerages in what was a stripped down version of full-service brokerages that never became mainstream.

The entry of Fintechs into the financial space is particularly appealing to younger investors-digital natives with a proclivity for consuming information online, on a mobile device, and a preference to do it themselves. So it's not surprising that the results of our latest quarterly survey show Millennial investors are more likely to manage their money online. It is interesting to note, however, that a third of Millennial investors report investing with an advisor as well as online.

Perhaps it's not a question of one or the other, rather a hybrid approach that provides investors with the best of both worlds.

The optimism index

While overall optimism towards investing remained steady over the past several quarters, Albertans reported a decline in their positive outlook towards real estate this quarter, perhaps in response to rising interest rates spurred on by the Bank of Canada's rate increases. Albertans, in general, continue to be most optimistic towards balanced mutual funds, while Millennials continue to be more positive towards cash investments than either Boomers or Gen-Xers.



Optimism with specific investment products:

- ▲— Balanced Mutual Funds
- Real Estate
- ◆— Cash
- ◆— Stocks (directly and equity funds)
- Bonds

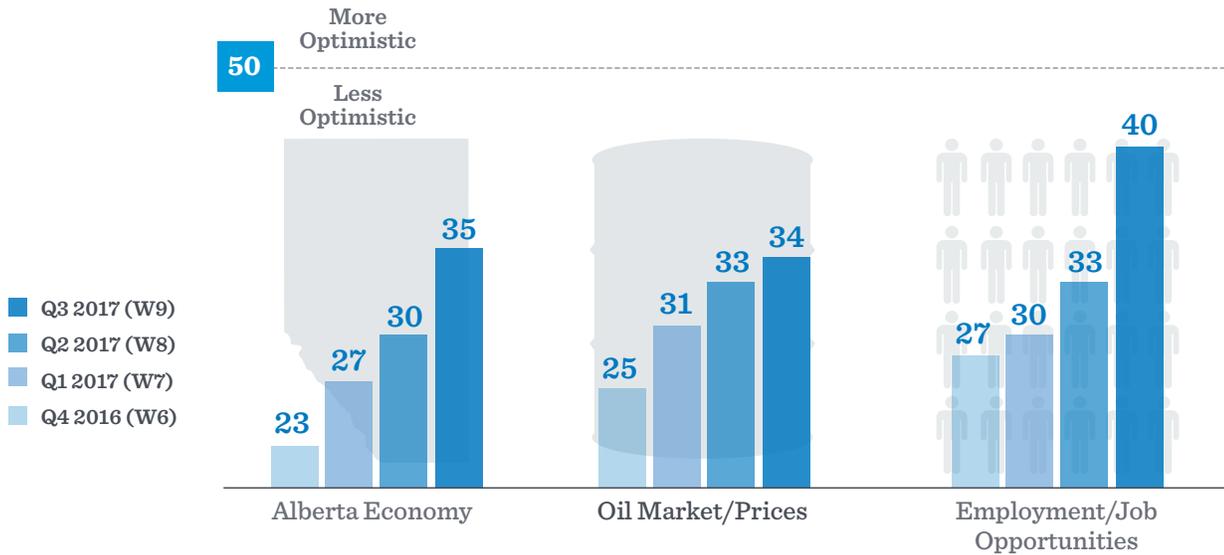


The Investor Beat Optimism Index is based on a representative sample of Albertans who rate their optimism towards investing, different investment products and economic factors. The ratings are based on a net positive score, which is then rescaled to fit an index ranging from 0 to 100.

The economy according to Albertans

Albertans optimism index score rose one point this quarter, suggesting Albertans are feeling slightly more positive towards investing. Optimistic investors cited their perception of a more stable economy (14%) as a primary driver for this belief. For those who still feel lukewarm towards investing, not having enough money remains a top barrier. Interestingly, among those who feel it is a bad time to invest, one in four cite the poor economy as a reason not to invest.

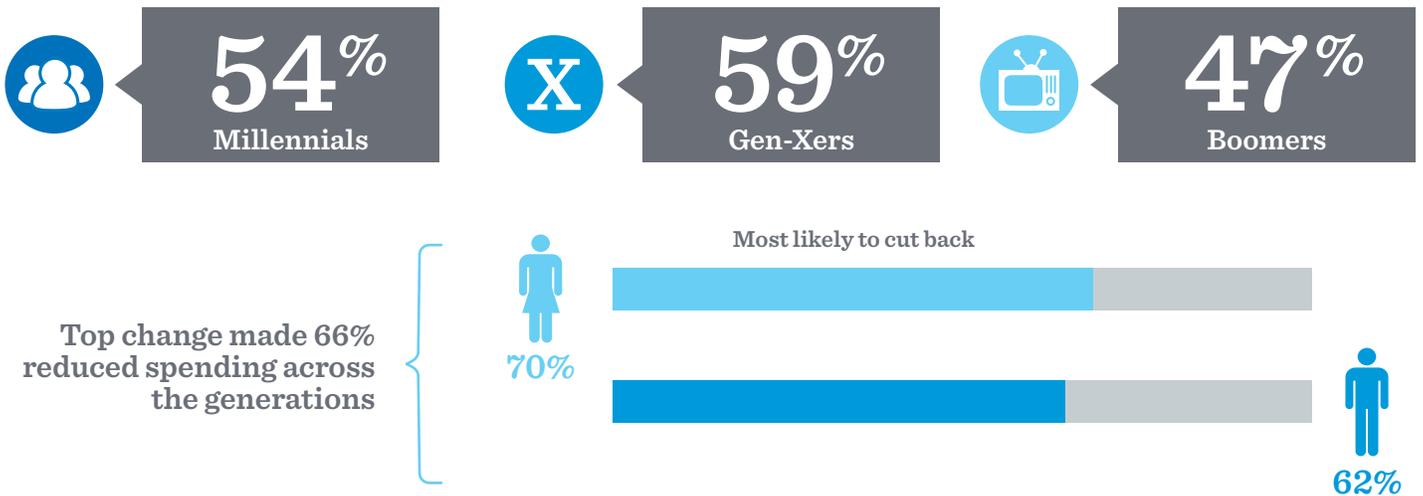
24% Among those who feel it is a bad time to invest, 24% cite the poor economy as a reason not to invest



Is the drop in oil still impacting Albertans?

The drop in oil prices continues to have an impact on Albertans, with 54% of Albertans feeling the influence of the price drop. Millennials are the most positive about oil prices - perhaps a result of their potential labour opportunities as companies seek lower-cost labour. Among those impacted by the drop in oil prices, fewer Albertans (down 6%) are looking for work outside the province compared to the start of the year, supported perhaps by the perception of stabilizing oil prices.

Feeling the impact



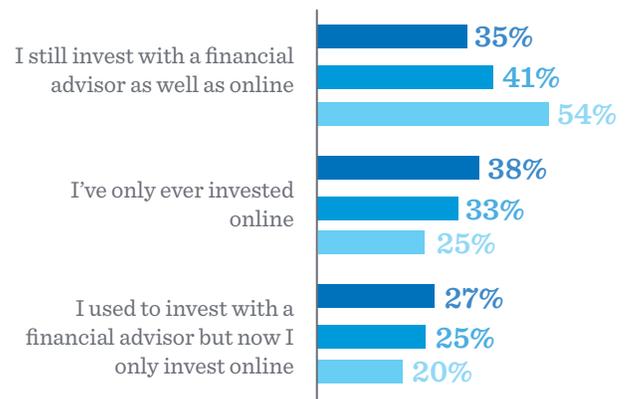
Why invest online?

Reasons for investing online



57% of Albertans view their investment accounts online, yet only 23% have purchased or sold investments online and 42% continue to invest with a financial advisor as well as online. This suggests that investors may be more comfortable completing purchases and making investment decisions under the guidance of a financial advisor. Regardless of generation, the top reasons cited for choosing to invest online are lower fees, ease of scheduling, easier to set up and faster (compared to working with an advisor).

Financial advisor or investing online?



Millennials



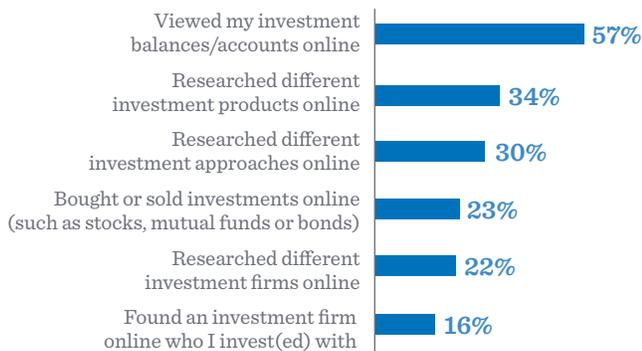
Gen-Xers



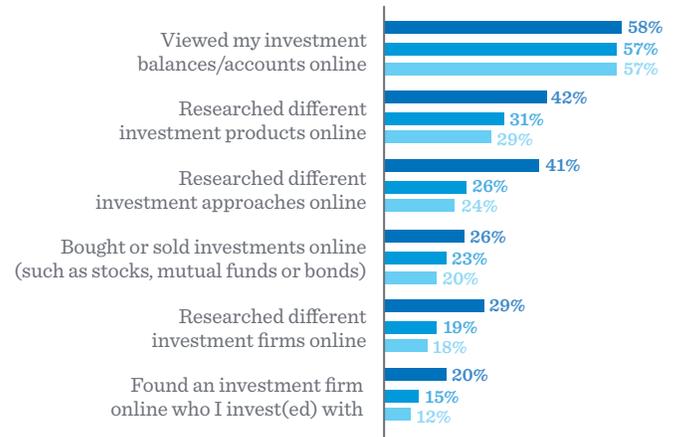
Boomers

Investing activities when online

Online Banking Activities Completed



Online Account/Investing Activities



Top Personal Financial Goals

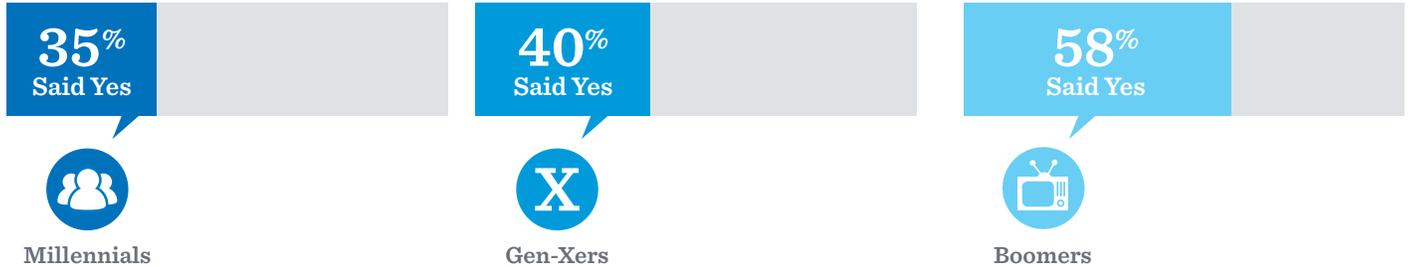
The number of Albertans saving for a vacation has increased from the same period last year. Among those who have saving for a house as a financial goal, those falling behind on saving for a house is up 10 percentage points. Of those who want to pay down their debt and save for retirement, 53% feel behind on debt payments and 51% are behind on retirement savings. Interestingly, just over half of Millennials and Gen-Xers (51%) don't have a financial plan, or don't know if they have one, which may help explain why so many Albertans feel behind on their savings goals (along with cost of living and unexpected expenses, which are cited as top barriers to successful saving).

Financial goals

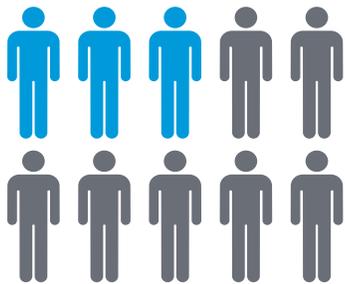


Financial goals

44% of Albertans have a financial plan



3 in 10 Albertans are familiar with the risks of their investments, understand their investments and are comfortable managing investments online.



Millennials



Boomers



For more information on this report or the next ATB Investor Beat edition, please write us at investorbeat@atb.com. You can also visit atb.com/investorbeat to be included on the mailing list.

About ATB Investor Services

ATB Investor Services is the wealth management arm of ATB Financial. Our goal is to sort through the clutter and make investing easier to understand so our clients can focus on the things that really matter in life.

To learn more about ways our investing philosophy is helping Albertans, please contact **Chris Turchansky**, President of ATB Investor Services at christurchansky@atb.com



Who did we talk to?

Ipsos (www.ipsos-na.com) is the third largest market research company in the global industry providing a full range of market research services. In North America, Ipsos has more than 2,100 research professionals and support staff located in 33 offices, with eight offices in Canada.

These findings are from an online survey conducted from July 20 - 29, 2017 using Ipsos' i-Say panel. The 1004 respondents are representative of Albertans 18 years of age and older based on age, gender and region. Using a Bayesian credibility interval the survey is considered accurate to within +/- 3.5 percentage points had all adults in Alberta been polled.

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