

6 July, 2017

### Almost 2/3 of Irish people have an average of €46,000 on deposit

#### 70% of people think deposits are bad value yet 40% still plan to keep their money on deposit

A recent Standard Life survey\* of more than 1,000 respondents reveals almost two thirds (64%) have money saved on deposit, averaging €45,500 each. Men have saved more than women with an average nest egg of €63,100 compared with €29,600 respectively.

- 55-64 year olds have the highest average deposit savings at €91,300 with those aged 65+ in second place with €70,400
- Over half of respondents (52%) have deposits of between €1 and €10,000
- Almost one in three (31%) have between €10,001 and €50,000 saved
- Almost one in five (18%) have deposits over €50,000
- Five per cent have deposit savings of over €250,000

#### Given close to zero per cent returns on deposits, in 2017 do you plan to:

Keep money on deposit?	<b>40%</b>
Don't know what to do.	<b>32%</b>
Move money into an investment fund with higher potential returns than deposits but is lower risk than equities?	<b>18%</b>
Move money into prize bonds?	<b>6%</b>
Move money into direct property?	<b>5%</b>

#### Do you think deposits represent good value for money?

Yes – 31%

No - 69%

Almost 70% of deposit savers think they're bad value for money yet 40% say they plan to keep their money on deposit. Nearly 2/3 (32%) don't know what to do, almost one in five (18%) plan to move their money into funds with higher potential returns but are lower risk than equities. "There's a big opportunity for financial advisers to help individuals make good long term investment decisions," said Sanjeev Kopan, Standard Life's Head of Proposition and Marketing. "Equally investors could ask for a fee-free consultation to give them the confidence to make better decisions. Many advisers are open to this, it's worth asking," he said.

#### Deposit ownership has fallen from 78% to 64% in 3.5 years

Standard Life's survey shows a significant drop in deposit savers from over ¾ of the population in December 2013 to less than two thirds in June 2017.

"It doesn't surprise us given (demand) deposit rates have fallen to zero# or close to zero in the last 2.5 years," said Kopan. "Many investors regret opting out of the US and UK stockmarkets (e.g.in late 2008 and 2009) as their money would have nearly doubled (UK) or more than tripled (US) since the markets bottomed out\*\*.

Kopan said Standard Life has seen customers moving out of deposits into equity based multi-asset funds such as its best-selling Myfolio, range of funds (€475mio under management) that are more diversified than pure equity funds. Myfolio is designed to help investors choose a fund that matches their risk appetite and is a hit with investors seeking higher-than-deposit returns.

Myfolio Active offers a choice of five risk based funds from I to V (I being the lowest and V the highest) that are managed by Standard Life Investments. Of the five Myfolio funds, II and III are the most popular with investors. They have returned 6.2% p.a. and 7.7% p.a. respectively since their launch, June 11, 2012 to end June 2017.

These five multi-asset funds have returned between 4.8% and 10.4% ##annualised since its launch in June 2012, depending on the fund chosen.

Ends

### Notes for editors:

\* The survey results are based on an independent, online survey conducted by Research Plus Ltd on behalf of Standard Life of 1,008 adults aged 18+ up to 23 June, 2017.

# Source: IrishDeposits.ie as at 17 Jun, 2017

Bank	Demand
EBS	<a href="#">0.30</a>
Investec	<a href="#">0.00</a>
PTSB Signature	<a href="#">0.05</a>
KBC Bank Ireland	<a href="#">0.45</a>
Nationwide UK (IRE)	<a href="#">0.51</a>
Bank of Ireland	<a href="#">N/A</a>
Bank	Demand

## Source: Standard Life Investments. Performance is annualised growth to end June 2017, net of annual management charges.

\*\* Source: Financial Analytics, March 9, 2009 to 30 June 2017 - FTSE 100 up 181% and S&P 500 up 327%.

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