



Media Release

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Women and younger Australians help lift numbers of adult investors across the nation to a record 10.2 million

There are now more Australian female investors than ever before, according to the ASX Australian Investor Study 2023 released today. The study also found that young Australians are continuing to play a key role in the investment landscape, with the next generation investor (aged 18-24) making up more than one fifth (22%) of those who began investing in the last two years.

General Manager, Investment Products and Strategy, Andrew Champion, said: “The ASX Australian Investor Study is ASX’s flagship research that provides an authoritative guide on the evolution of investment markets and investor behaviour.

“Our latest study has found that the number of investors that hold on-exchange investments has grown from 6.6 million to 7.7 million in 2023 – the highest proportion of on-exchange investors in over a decade. This equates to 38 per cent of Australian adults.

“While Australian shares are still the most popular of all on-exchange investments, exchange traded funds (ETFs) continue to grow in popularity with 20 per cent of investors holding such investments, up from 15 per cent three years ago. This growth aligns with ASX’s latest statistics where total ETF funds under management has grown by an astonishing \$80 billion from \$63.5 billion in May 2020 to \$143.5 billion as at the end of May 2023.

“The report also compares holdings of different asset classes and found that there’s been a slight dip in residential property investment (down four per cent), but gains in shares and ETFs, suggesting Australians are looking at other ways to build wealth outside of property.”

While females made up half of the 1.2 million net new investors since 2020, women are still under-represented as a whole (42% vs 58%), with more women than men citing affordability as their primary barrier to investing. This is expected given the significant wage gap, with Australian women on average earning 25 per cent less than their male counterparts (\$85,655 vs \$107,466). In addition, of the Australian’s who have never invested, 64 per cent are female.

The survey found that female investors find the selection of information sources the most challenging aspect of investing, with over a third turning to family and friends to guide their decisions. They are less likely than males to turn to professional sources such as the ASX website, company annual reports and paid subscription investing websites.

Promisingly, the study found that 55 per cent of the next gen investors who began investing in the last two years were female.

Younger investors continue to make up a significant portion of new investors. The main investment goal for this group is to build a sustainable income stream, which is unexpected given younger investors will typically have a steady income stream from work.

Interestingly, the survey found that this cohort self-identify as being risk averse, preferring guaranteed and/or reliable returns. Yet almost one in three hold cryptocurrency and their portfolios are the least diversified of all age groups, suggesting there may be a gap in financial literacy.

“Covid created this wave of new retail investors and our own internal analysis saw record trading value from this cohort,” Mr Campion said. “While retail trading value has returned to ‘pre-Covid’ levels, the number of investors holding on-exchange investments continues to steadily grow.

“We will continue to see younger investors enter the market for the first time. This cohort will make up almost 30 per cent of the 1.33 million non-investors that intend to invest in the next 12 months.

“It is important that as a financial community, we arm these new investors with the information that they need to make informed investment decisions.”

The full ASX Australian Investor Study 2023 can be accessed from the ASX website:

<https://www2.asx.com.au/investors/investment-tools-and-resources/australian-investor-study>

Background

Since 1986, the ASX Australian Investor Study and its predecessor, the ASX Share Ownership Study, have provided an authoritative guide on the evolution of investment markets and changing investor behaviour.

Our latest study surveyed over 5,500 Australian adults and provides valuable insights about everyday Australian investors – who they are, where they choose to invest, and what their investment goals are. It reveals that more than ever, Australians are investing beyond their home and superannuation, and it's likely the pandemic has been at least partly responsible for this trend. We also explore the next wave of investors, many of them women, and the rise of the younger tech-savvy investor.

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