

Amid uncertainty, investors are increasingly turning to a financial adviser - Finds Natixis IM's Individual Investor Survey

- As inflation persists, two thirds (66%) say they are saving less due to higher everyday expenses.
- Almost half (48%) worry that if the Magnificent Seven falter, it would have an outsized negative impact on their portfolios.
- One-third of investors globally want their adviser to connect them to private market investment opportunities.

11 June 2025 – After 15 years of low rates, high returns, and relatively smooth sailing, individual investors around the world are concerned about the impact the current period of instability could have on their long term investment goals, with ramifications for financial decision making and planning. The survey of over 7,000 individual investors globally by Natixis Investment Managers*, found that 70% are worried about the impact of instability on their finances.

As uncertainty prevails, the survey of individual investors with more than \$100,000 in investable assets, found that three-quarters (73%) would now choose safety over performance when it comes to their investments, with 72% concerned that markets will become more volatile moving forward.

As a result, investors are increasingly looking for clarity. They need help understanding what rate cuts mean for their investments and are seeking a better understanding of which investment opportunities are most suitable for their financial needs now.

In times of such uncertainty, the perceived value of professional advice remains high -while trust in many sources has declined over the past four years, those surveyed are now most likely to trust their adviser (91%) when it comes to making investment decisions.

Investors are losing ground to rising prices

Inflation continues to top the list when it comes to individual investor's financial fears (51%). Two-thirds (66%) say they are currently saving less due to rising everyday prices and over half (59%) say inflation has eroded their gains. As a result, 38% say they are finding it harder to reach their long-term goals, especially for investors at the lower end of the wealth spectrum, with 45% of mass market investors saying that their goals are slipping further out of reach. Investors also don't anticipate inflation easing any time soon. Even as inflation approaches the 2% goal set by central banks around the world, less than half (41%) think elevated inflation is in the rear-view mirror.

In addition, investors are increasingly worried about keeping hold of what they do make. One third of investors (34%) rank taxes third among their financial fears with 70% believing returns after tax are more important than pre-tax, a sentiment that is also reflected in the services investors are looking for from their financial adviser. When asked, 74% of advised investors globally say managing tax liability is a key aspect of financial planning with their adviser.

Lower expectations are narrowing the gap with what advisors call realistic

Considering the current environment, investors have moderated their return expectations this year, as they look to generate 7.3% above inflation for 2025. This marks a 33% decrease on the 10.9% returns they reported earning just last year. However, investors remain cautiously optimistic, as most hope for a temporary performance disruption and expect they will be able to generate returns of 10.7% above inflation over the long term.

However, this long-term expectation of 10.7% above inflation is seen as overly ambitious by financial advisers. They suggest that a more attainable target would be around 8.3%. Importantly, the disparity between what investors expect and what advisers recommend has decreased significantly, from a 42% gap in 2023 to 28% currently.

It's important to note that even these moderated expectations involve considerable risk. Pursuing double-digit returns typically necessitates a substantial investment in equities and exposure to market volatility. This poses a challenge, as only 53% of investors report feeling comfortable with taking on the necessary risks to pursue higher returns. Investors are also starting to look more closely at their current investment strategies, as almost half (48%) worry that if the Magnificent Seven falter, it would have an outsized negative impact on their portfolios.

As such, investors will need to think carefully as they navigate the current environment, balancing their return aspirations with their risk tolerance.

Darren Pilbeam, Head of UK Sales at Natixis Investment Managers commented:

"Ongoing geopolitical uncertainty, inflation and climbing prices are all causing investors to adjust their return expectations and think carefully about how to maximise their opportunity set. With markets growing ever more complicated and investment choices more complex, investors are looking for reassurance. As a result, they are turning to their advisor to provide guidance on what to do next."

Investors are analysing emerging asset classes and investment opportunities

With public markets performance unstable, investors are looking elsewhere for opportunities in 2025. Similar to institutional investors, individuals surveyed are focused on the potential for private markets to enhance returns and diversification. Overall, 44% globally say the more they read about private assets, the more they want to invest, and 50% believe the returns are worth the additional expense. Performance potential is a key part of the appeal, as 34% say they feel like they are missing out on the best opportunities by limiting themselves to public markets. That said, 56% say while they are interested in investing, they are worried about liquidity.

When it comes to Artificial Intelligence (AI), on the whole individuals are not fully invested in the trend. While 79% of wealth managers say AI has the potential to accelerate earnings for the next decade and 63% of institutional investors say it will supercharge tech growth in 2025, individual investors are not as excited. Just 42% are willing to say it's the biggest investment opportunity in a lifetime. What's more, 51% globally say AI is a bubble waiting to burst.

Investors want a financial coach

Amid so much market uncertainty, investors really value advice and are looking for a rounded relationship with their adviser. In addition to their portfolio strategy, investors are seeking support with retirement income planning (46%) and are also turning to advisers for financial planning services (46%).

Many individuals globally want a more personal approach. While 52% of wealth managers earlier this year said they were concerned that AI is helping to make robo-advice a meaningful competitive threat, personal aspects continue to be prioritised in an adviser relationship: 33% say that they find it valuable when their adviser understands their unique circumstances and 31% also want someone who will just listen to them. Only 40% trust algorithms and AI to support their investment decisions. Social media also comes in last when it comes to trust, with only 17% saying they trust the posts they read when making decisions.

Natixis Investment Manager's global report on the findings of its 2025 survey of Individual Investors can be found here: <https://www.im.natixis.com/en-intl/insights/investor-sentiment/2025/individual-investor-survey>

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Methodology

Natixis Investment Managers Individual Investor Survey conducted by CoreData Research in February and March 2025. Survey included 7,050 individual investors in 21 countries throughout North America, Latin America, the United Kingdom, Continental Europe and Asia.

About the Natixis Center for Investor Insight

The Natixis Center for Investor Insight is a global research initiative focused on the critical issues shaping today's investment landscape. The Center examines sentiment and behavior, market outlooks and trends, and risk perceptions of institutional investors, financial professionals and individuals around the world. Our goal is to fuel a more substantive discussion of issues with a 360° view of markets and insightful analysis of investment trends.

About Natixis Investment Managers

Natixis Investment Managers' multi-affiliate approach connects clients to the independent thinking and focused expertise of more than 15 active managers. Ranked among the world's largest asset managers¹ with more than \$1.3 trillion assets under management² (€1.2 trillion), Natixis Investment Managers specializes in high-conviction active investment strategies, insurance and pension solutions, and private assets, and delivers a diverse offering across asset classes, styles, and vehicles. The firm partners with clients in order to understand their unique needs and provide insights and investment solutions tailored to their long-term goals.

Headquartered in Paris and Boston, Natixis Investment Managers is part of Groupe BPCE, the second-largest banking group in France through the Banque Populaire and Caisse d'Epargne retail networks. Natixis Investment Managers' affiliated investment management firms include AEW; DNCA Investments;³ Dorval Asset Management; Flexstone Partners; Gateway Investment Advisers; Harris | Oakmark; Investors Mutual Limited; Loomis, Sayles & Company; Mirova; Naxicap Partners; Ossiam; Ostrum Asset Management; Seventure Partners; Thematics Asset Management; Vauban Infrastructure Partners; Vaughan Nelson Investment Management; Vega Investment Solutions and WCM Investment Management. Additionally, investment solutions are offered through Natixis Investment Managers Solutions and Natixis Advisors, LLC. Not all offerings are available in all jurisdictions. For additional information, please visit Natixis Investment Managers' website at im.natixis.com | LinkedIn: linkedin.com/company/natixis-investment-managers.

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1 Survey respondents ranked by Investment & Pensions Europe/Top 500 Asset Managers 2024 ranked Natixis Investment Managers as the 19th largest asset manager in the world based on assets under management as of December 31, 2023.

2 Assets under management (AUM) of affiliated entities measured as of March 31, 2025, are \$1,361.4 billion (€1,260.2 billion). AUM, as reported, may include notional assets, assets serviced, gross assets, assets of minority-owned affiliated entities and other types of nonregulatory AUM managed or serviced by firms affiliated with Natixis Investment Managers.

3 A brand of DNCA Finance