

## NEWS RELEASE

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### **New Research: Female Investors Lag Behind Male Counterparts in Investment Knowledge and Confidence**

Washington, DC – Female investors lag behind their male counterparts when it comes to investment knowledge and confidence, according to [new research](#) conducted by the FINRA Investor Education Foundation (FINRA Foundation) and the George Washington University School of Business' Global Financial Literacy Excellence Center (GFLEC).

Male and female investors answered a [10-question quiz](#) measuring investment knowledge and understanding of U.S. markets. Only 8% of female investors (compared with 21% of male investors) answered eight questions or more correctly, demonstrating high investment knowledge. Furthermore, 40% of female investors (but only 26% of male investors) answered fewer than three questions correctly, which indicated low investment knowledge.

“The recent market volatility related to the global spread of the coronavirus (COVID-19) sheds a spotlight on the importance of understanding investments and markets and why raising the investment knowledge of both men and women is essential,” said Gerri Walsh, President of the FINRA Foundation and FINRA’s Senior Vice President of Investor Education. “The data show that male and female investors who have a high level of investment knowledge are more likely to have positive outcomes—like planning for retirement, feeling less anxious about their finances, and saving for emergencies.”

Beyond investment knowledge, the research reveals that:

- Female investors are less likely to be confident about: long-term opportunities in the U.S. financial markets, their own investment knowledge and making investment decisions;
- Women investors were more apt to answer “don’t know” to investment knowledge questions than their male counterparts; and
- While nearly half of all men feel comfortable making investment decisions, only 34% of women feel the same.

“There is a notable difference in investment confidence between male and female investors and this difference persists even when education, income, and investment wealth are taken into account,” said Dr. Andrea Hasler, Assistant Research Professor of Financial Literacy of GFLEC. “Our research shows that there is a strong link between investment confidence and knowledge, so investment confidence may influence the investment knowledge gender gap.”

“Promoting efforts that work towards increasing both confidence and knowledge is one key solution to preparing investors for their financial decision-making,” Dr. Hasler added.

To access the datasets, survey instrument and methodology, and other reports, visit [USFinancialCapability.org](http://USFinancialCapability.org).

### **Global Financial Literacy Excellence Center**

The GW Global Financial Literacy Excellence Center (GFLEC) is dedicated to advancing research and solutions that open the door to universal financial literacy. In working toward that mission, GFLEC has positioned itself as the world’s leading incubator for financial literacy research, policy, and solutions. GFLEC launched in 2011 at the George Washington University School of Business in Washington, D.C. Since then, it has pioneered breakthrough tools to measure financial literacy, developed and advised on educational programs, and crafted policy guidelines aimed at advancing financial knowledge in the United States and around the world. For more information on GFLEC, visit [www.gflec.org](http://www.gflec.org).

### **FINRA Investor Education Foundation**

The FINRA Investor Education Foundation supports innovative research and educational projects that give underserved Americans the knowledge, skills and tools to make sound financial decisions throughout life. For more information about FINRA Foundation initiatives, visit [www.finrafoundation.org](http://www.finrafoundation.org).

### **About FINRA**

FINRA is a not-for-profit organization dedicated to investor protection and market integrity. It regulates one critical part of the securities industry—brokerage firms doing business with the public in the United States. FINRA, overseen by the SEC, writes rules, examines for and enforces compliance with FINRA rules and federal securities laws, registers broker-dealer personnel and offers them education and training, and informs the investing public. In addition, FINRA provides surveillance and other regulatory services for equities and options markets, as well as trade reporting and other industry utilities. FINRA also administers a dispute resolution forum for investors and brokerage firms and their registered employees. For more information, visit [www.finra.org](http://www.finra.org).