What matters to investors matters to us. The 2016 Legg Mason Global Investment Survey paints a picture of mass affluent Australia investors’ thoughts and concerns about investments, income and retirement.

Cash is king for Australian investors

- Cash: 28%
- Investment Real Estate: 25%
- Equities: 22%

Are Australians missing out on investment opportunities? Find out

Australians more conservative

- Australia: 84%
- Global: 64%

Is this cautious approach due to a lack of understanding? Find out

Young love for property

- Australia: 36%
- Global: 18%

How do Australian millennials approach investing? Quantify the generation gap

Total trust in financial advisers

- Financial Adviser: 72%
- Financial News: 48%
- Family: 42%
- Forums: 19%
- Online Platforms: 18%

In this environment, there’s a real opportunity for financial advisers. Understand more about attitudes
Lowering expectations — Australians have lower investment expectations in 2016, with the income return being sought dropping from 8.6% to 7.7%.

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Return</td>
<td>8.6%</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

Reluctance to invest internationally — Only 2% of Australians strongly agree that they will focus on international investments this year.

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>2%</td>
</tr>
<tr>
<td>Global Average</td>
<td>22%</td>
</tr>
</tbody>
</table>

An attractive destination — Australia is considered an attractive investment destination, with a favorable rating from Asian investors (second only to USA).

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>62%</td>
</tr>
<tr>
<td>Singapore</td>
<td>32%</td>
</tr>
<tr>
<td>Australia</td>
<td>33%</td>
</tr>
<tr>
<td>Global Average</td>
<td>22%</td>
</tr>
</tbody>
</table>

Reluctance to invest internationally — Only 2% of Australians strongly agree that they will focus on international investments this year.

A more expensive retirement? — Australians believe $714K will fund an enjoyable retirement, above the global average of $469K.

<table>
<thead>
<tr>
<th>Region</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>$714,000</td>
</tr>
<tr>
<td>Global Average</td>
<td>$469,000</td>
</tr>
</tbody>
</table>

Low tech take-up — Older Australians have the lowest willingness to embrace new technology (average across all platforms).

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>4%</td>
</tr>
<tr>
<td>Global</td>
<td>38%</td>
</tr>
</tbody>
</table>

View the entire survey results at www.leggmason.com/trendingconversations
A quantitative online survey methodology was used to conduct the study, with a total of 5,370 mass affluent investors across 19 markets completing the questionnaire.

**Respondents had to meet the following screening criteria:**

- Sole or joint decision-maker for household investment decisions
- $200,000+ investable assets (includes investment real estate but not primary residence/vacation property)
- Main Sample/Core 40+ HNWIs/Older Investors: Age 40–75 (N=4,103 Completes)
- Millennial Sample: Age 18–39 (N=1,267 Completes)

Field work for the survey was conducted between December 3, 2015 and January 8, 2016. In each market, sample included roughly equal numbers of respondents for the $200K–$999K group and $1M+ group; the data was then weighted to be representative of the $200K–$999K and $1M+ household total investable assets populations. Global investor figures are composites based on weighted average of country specific findings; the weighting is by relative incidence of qualified investors in each country. Note: Because of rounding, percentages may not add up to 100%.

The research was conducted by Northstar Research Partners, an independent global marketing research firm with offices in New York, Atlanta, Toronto, London and Jakarta (www.northstarhub.com). Northstar conducts research across a wide range of industry sectors and is a recognized leader in financial services marketing research.

The main sample for comparisons to last year’s data includes only high net worth investors aged 40–75, with Millennial data providing an additional data set that serves as a supplement to this year’s study.

In retirement questions (G12 and G13) that asked for a numeric amount needed to enjoy retirement, respondents were asked to give a figure in their home currency, which was later converted to U.S. dollars for comparison purposes. Medians were used to report averages in order to lessen the impact of extremely high answers on the data.

### Market

<table>
<thead>
<tr>
<th>Market</th>
<th>Sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>N = 600 500 age 40–75, 100 age 18–39</td>
</tr>
<tr>
<td>Europe</td>
<td>N = 2,122 −200 age 40–75, −60 age 18–39 per market</td>
</tr>
<tr>
<td>Asia</td>
<td>N = 1,341 −200 age 40–75, −60 age 18–39 per market with 100 in China</td>
</tr>
<tr>
<td>Latin America</td>
<td>N = 1,047 −200 age 40–75, −60 age 18–39 per market</td>
</tr>
<tr>
<td>Australia</td>
<td>N = 260 −200 age 40–75, 60 age 18–39</td>
</tr>
</tbody>
</table>
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- Over $671 billion* in assets invested worldwide in a broad mix of equities, fixed income, alternatives and cash strategies.
- A diverse family of specialized investment managers, each with its own independent approach to research and analysis.
- Over a century of experience in identifying opportunities and delivering astute investment solutions to clients.

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