

TWO IN THREE BRITONS SCRAMBLE TO FILL FINANCIAL BLACK HOLES

Nearly two thirds (62%) of Britons whose lives have recently taken an unexpected U-turn, as a result of life changes such as divorce, redundancy or children moving back to the family home, said they are now facing a serious financial void as a consequence:

- 53 per cent of respondents who have had to re-plan their lives say they now need to build a sufficient savings fund to fall back on in emergencies
- 24 per cent say they have insufficient pension funds to retire on
- 10 per cent admit they need to improve their investment knowledge so they can broaden their portfolio

Suffering from inertia

Despite recognising the need to play financial catch-up, just 27 per cent of the population intend to take action. Almost one in five (18%) people who say they need to seriously boost their pension fund leave it up to their employer to manage it and a further 18 per cent who want to get to grips with financial basics don't take any advice from others.

As part of its ongoing study into the Plan B experience of millions of working Britons, the latest Selftrade probe asked more than 2,000 adults what they now have to play financial catch up on as a result of their new life goals.

More key findings:

- 18 per cent said that they weren't financially savvy enough and they didn't understand the basics about investment and pensions which was holding them back in making the most of their finances;
- A further 16 per cent of those polled said they would need to improve their investment knowledge so that they could have a better financial portfolio for managing their money better in the future;

-More-

- Worryingly because they are so close to retirement, 31 per cent of 45 to 55 year olds admit to needing to seriously top up their pension fund to consider retiring.

Stephen Barber, Head of Research at Selftrade commented: *“It is not surprising that people have fallen behind on a number of financial fronts given the number of changes and financial pressures facing the nation, but they must not be put off. A Plan B is a new start and an opportunity to take control and enjoy independence. But to enjoy this new start one must have the right financial arrangements in place.*

Selftrade’s website has a host of tools, research and educational articles which can help people make the best financial decisions to suit their life stage. Tax-efficient savings, such as ISAs or SIPP are a great way to maximise savings. This type of preparation will ensure that you have a nest egg to fall back on in the event of having to embark on a Plan B.”

Media enquiries:

More data from the Plan B research is available on request. To arrange interviews or for more information, please contact FD Consumer Dynamics:

- Aisling Ward 020 7169 7141
- Rosie Dodd 020 7269 7112

Email enquiries to selftrade@fd.com

Notes to editors

Research was undertaken by YouGov amongst a weighted, GB representative sample of 2,095 adults in February 2009.

About Selftrade

The Selftrade website (www.selftrade.co.uk) offers Britons choice so they can take control of their finances, leaving them with the peace of mind that they know where their money is and safe in the knowledge that they are investing in their future.

Selftrade offers customers a range of accounts, designed to suit different investment needs. By applying online and funding an account with a debit card, Britons can be trading and in control of their financial future in just 10 minutes. Whether individuals choose to deal online, by phone or via the internet on their mobile, they will pay the same flat fee of £12.50 for each trade.

- Selftrade is one of the UK’s largest execution-only stockbrokers.
- Customers can manage their investments in Dealing, Shares ISA, and SIPP Dealing accounts. Child Trust Funds, Child SIPP, Company Dealing and Investment Club accounts are also available. A CFD and spread betting service is provided in conjunction with City Index.

Selftrade is a trading name of Talos Securities Limited, which is authorised and regulated by the Financial Services Authority and is a member of the London Stock Exchange and PLUS Markets.