



Record number of young Australians turning to international and domestic shares to build wealth

Australian investors, as young as 18, are turning to the sharemarket in record numbers to build their wealth, according to new data released by nabtrade today.

While turnover activity remained strong across all generations, data compiled by nabtrade showed the number of Gen Z and Gen Y investors who held domestic shares jumped by more than 68 per cent and about 16 per cent respectively in the 12 months to 31 July.

nabtrade Director of SMSF and Investor Behaviour, Gemma Dale, said this was the highest number of domestic holdings held by Gen Y and Gen Z investors' nabtrade had ever seen.

"A combination of factors is driving this strong interest among younger Australians, including the low price point, better accessibility, and high quality of research in the market which are making it easier for people to buy shares," Ms Dale said.

"We also believe parents are encouraging their kids to make good financial decisions from a younger age. And, for the first time, younger investors are getting targeted service from financial institutions which understand that a growing number of millennials want to build wealth outside of property and super."

Ms Dale said Gen Y and Gen Z investors are also demonstrating they understand fundamental investment principles such as diversification, by investing in ETFs and listed investment companies, as well as high yield, blue-chip domestic and international stocks.

The sharemarket remained a popular spot for Baby Boomers and Gen X investors, with the number of customers holding domestic shares increasing by nearly 5 per cent and 7 per cent respectively.

The nabtrade figures also revealed that Gen Y and Gen Z were turning over assets more frequently than older investors.

While domestic trading continued to represent the bulk of all shares traded, and activity remained strong over the past year, overseas trading had the strongest growth, with the number of international trade confirmations surging 33 per cent in the 12 months to 31 July.

Underpinning this shift was a 118 per cent lift in trading among Gen Z investors, followed by Baby Boomers up 75 per cent, and Gen Y's up 21 per cent, albeit from a low base.

Some of the top international stock picks for Baby Boomers were Amazon; Apple; Facebook; Alibaba; Direxion Daily Jr Gold Miners Bull ETF; and Bank of America. For Gen X investors, it was Facebook; Amazon; Google; Tencent; and Alibaba. Stocks such as Tesla; Advanced Micro Devices; Facebook; Snap and Makemytrip made up the top stock picks for Gen Y and Gen Z investors.

"International shares offer a great diversification opportunity for Australian investors. It's interesting to see people deliberately seeking sectors not available or not well represented on the ASX," Ms Dale said.

For more than 150 years, we've been helping our customers with their money. Today, we have 34,000 people serving 10 million customers at more than 800 locations in Australia, New Zealand and around the world. As Australia's largest business bank, we work with small, medium and large businesses to help them start, run and grow. We fund some of the most important infrastructure in our communities – including schools, hospitals and roads. And we do it in a way that's responsible, inclusive and innovative.

“The strong demand for Amazon and Alibaba shares shows the extent to which investors are conscious of changing consumer preferences, the impact of technology, and as such, are looking for stocks that give them access to growth in these areas.”

Domestically, the top ten holdings for Gen Z and Gen Y included the Big Four; Telstra; A2 Milk Company; Vanguard Australian Share Index EFT and Intecq. Woolworths, Telstra, CSL, the major four banks and Macquarie were among some of the stocks Baby Boomers and Gen X were attracted to.

Top 10 Domestic BUYs by value during the 12 months to 31/7/17

Baby Boomers	Gen X	Gen Y	Gen Z
NAB	Fortescue Metals	Telstra	Telstra
Telstra	Telstra	The A2 Milk Company	ANZ
CBA	NAB	Fortescue Metals	NAB
ANZ	BHP	NAB	Westpac
Westpac	CBA	BHP	Fortescue Metals
Fortescue Metals	ANZ	Vanguard Aust Share Index ETF	Evolution Mining
BHP	CSL	CBA	Intecq
CSL	Westpac	Evolution Mining	QBE
Macquarie	Newcrest	Santos	CBA
Santos	Santos	Galaxy Resources	Vanguard Aust Share Index ETF

Source: nabtrade

Top 10 International BUYs by value during the 12 months to 31/7/17

Baby Boomers	Gen X	Gen Y	Gen Z
Amazon	Facebook	Tesla	Facebook
Apple	Amazon	Advanced Micro Devices	Tesla
Facebook	Apple	Facebook	Advanced Micro Devices
Alibaba	Tesla	Amazon	Apple
Nvidia	Google	Nvidia	Amazon
Berkshire Hathaway	Berkshire Hathaway	Apple	Microsoft
Tesla	Tencent	Berkshire Hathaway	Google
Direxion Daily Jr Gld Mnr Bull 3X (ETF)	Alibaba	Google	Snap
Microsoft	Microsoft	Alibaba	Makemytrip
Bank of America	Nvidia	Microsoft	Berkshire Hathaway

Source: nabtrade

About nabtrade:

nabtrade is NAB's multi-award winning online investing platform, launched in 2012. nabtrade has doubled its market share since entering the market, providing domestic and international trades from just \$14.95 per online trade (plus FX for international). nabtrade provides a broader range of investment options including domestic, international, IPOs and mfunas with more research recommendations than any other online broker. It has been awarded five stars from CANSTAR for cash, trading and margin lending