

# News Release

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## **CHICAGO RESIDENTS LOVE THEIR LIFESTYLE, BUT LACK CONFIDENCE IN LOCAL ECONOMY**

New Charles Schwab survey examines local sentiment

### **Key findings:**

- Sixty-one percent think Chicago's economy is remaining stagnant or getting worse
- Seventy-seven percent believe local politicians should do more for the local economy
- Eighty-three percent say Chicago is among the best cities for arts and culture
- Chicagoans say it takes \$2.7 million to be considered "wealthy"

**CHICAGO, September 16, 2014** — Chicagoans view their city as one of the best in the country when it comes to culture and dining, but lack confidence in the local Chicago economy and believe local politicians should be doing more, according to a new survey by [Charles Schwab](#). Of 1,000 Chicago area residents surveyed, 61 percent believe the local economy is remaining stagnant or getting worse, compared to just a quarter who believe that the Chicago area's economy is improving. One-third of survey respondents think the Chicago economy is worse than the overall U.S. economy, while just 13 percent believe it's doing better. More than three-quarters (77 percent) of those surveyed do not believe local politicians are doing enough to make the Chicago economy stronger.

A driving force behind the dismal view of the local economy is Chicago's crime problem - nearly nine in 10 Chicagoans say that crime is hurting the local economy. Survey respondents also cite additional concerns:

- More than 80 percent say Chicago needs to invest in its infrastructure
- Seventy-three percent say the city is one of the worst in the U.S. for tax rates
- Sixty-six percent don't think cost of living in Chicago is reasonable
- Forty-two percent say cost of living in Chicago hinders their ability to reach their financial goals

Nearly three in four (73 percent) Chicagoans surveyed believe the winner of the Illinois governor election in November will have a big impact on the future of the Chicago's economy. Survey respondents call out crime, tax rates, the unemployment rate, political corruption and education as the five issues that require the most attention.

The survey was conducted by Charles Schwab, one of the largest full-service investment services firms in the country with \$2.4 trillion in total client assets. Schwab recently expanded its presence in the Chicago area and helps local investors with a range of planning, portfolio management, income strategy and banking needs in 13 Chicago area locations.

"The overall economy is slowly improving, but it's still a complicated financial environment for people to navigate, and the cost of living in Chicago doesn't make things any easier," says Brennan Miller, Charles Schwab branch manager in the firm's Michigan Avenue and Lincoln Park branches. "We've seen among our clients that financial planning can improve people's confidence and put them in a better position to reach their goals."

Miller notes that while Schwab sees planning as critical to managing wealth, and has had more than 100,000 financial planning consultations with its clients across the country, just 22 percent of Chicagoans surveyed have a written financial plan.

### **My kind of town: Lifestyle and business scenes are brighter spots**

When it comes to non-economic topics, Chicagoans feel good about their city. Eighty-four percent of people surveyed say Chicago is one of the best U.S. cities for food and dining, and 83 percent think it is tops for arts and culture. Sixty-seven percent give Chicago a grade of “A” or “B” as a place that welcomes diversity.

Chicagoans are also pleased with the area’s business scene. When asked to grade various aspects of the area’s business environment, 65 percent give Chicago either an “A” or a “B” as a place for young professionals, 55 percent give it an “A” or “B” as a place for innovation, and nearly half (49 percent) give it an “A” or a “B” as a place for entrepreneurs looking to start a business.

Further reinforcing the strength of the local Chicago business environment, Schwab’s survey finds that residents are loyal to local business owners. Chicagoans spend an average of \$820 a month at local Chicago businesses, such as retail stores, restaurants and grocery stores compared to \$650 a month at larger national chain stores. Twenty-one percent say they spend more than \$1,000 a month at local businesses, as opposed to just 14 percent who spend that much at national stores.

### **Chicagoans still recovering from the financial crisis**

When it comes to their own financial situation, just a quarter of Chicagoans feel that their finances have fully recovered from the financial crisis in 2008. Only 19 percent say they are very confident that they will achieve their financial goals, and 43 percent say they are somewhat confident. A significant number, 38 percent, are not confident that they will be able to reach their goals. When asked about their approach to reach those goals, 54 percent of Chicagoans say they are focused on saving and investing consistently over time, and 19 percent say they are willing to take some risk to accelerate their wealth building process.

On average, those surveyed say someone living in the Chicago area needs a personal net worth of \$700,000 to be “financially comfortable” and \$2.7 million to be considered “wealthy.”

### **About the survey**

The online survey was conducted by Koski Research from July 7 to July 16, 2014 among 1,000 Chicagoans aged 21 to 75. The geographical area of the sample included all the Illinois counties in the Chicago Metropolitan Statistical Area. Quotas were set based on population statistics for Cook County, counties contiguous to Cook County and counties not contiguous to Cook County. The margin of error for the total survey sample is three percentage points.

### **About Charles Schwab**

At Charles Schwab, we believe in the power of investing to help individuals create a better tomorrow. We have a history of challenging the status quo in our industry, innovating in ways that benefit investors and the advisors and employers who serve them, and championing our clients’ goals with passion and integrity.

More information is available at [www.aboutschwab.com](http://www.aboutschwab.com). Follow us on [Twitter](#), [Facebook](#), [YouTube](#), [LinkedIn](#) and our [Schwab Talk blog](#).

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