

Robo investor snapshot: 2020 trends

Shining a light on the latest robo investing trends at Charles Schwab

charles
SCHWAB

Methodology: This report shows the latest trends among robo advice investors at Schwab. Data represents clients enrolled in Schwab Intelligent Portfolios® and Schwab Intelligent Portfolios Premium™ year-to-date as of September 30, 2020.

Charting robo growth: Number of new accounts and total assets grow

Despite a difficult market environment, new accounts continued to grow during the COVID-19 pandemic. Many clients view volatility as an opportunity to get invested, or seek professional guidance for long-term planning. Q1 2020 was among the highest quarters for Schwab's robo advisory service in terms of new account opens.

Accounts and assets

Total active robo accounts

373k

+18% year-over-year



Total robo assets

\$49B

+14% year-over-year*



* Includes Schwab Intelligent Portfolios, Schwab Intelligent Portfolios Premium, and Institutional Intelligent Portfolios®.

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Robo investor profile: Investors stay the course

New clients who opened Schwab Intelligent Portfolios accounts during COVID-related volatility in early 2020 trended around 10 years younger than average, with lower-than average balances (\$17k). Many new Schwab Intelligent Portfolios Premium clients throughout volatility were nearing retirement and seeking guidance from a financial professional. Clients who enrolled in Schwab Intelligent Portfolios Premium during market volatility held more assets (\$109k) than year-to-date average.

Median account balance

Schwab Intelligent Portfolios

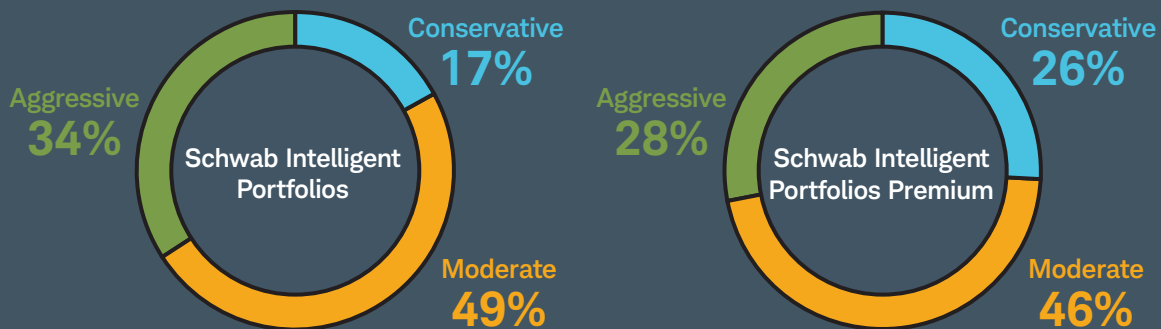
\$38k

Schwab Intelligent Portfolios Premium

\$92k

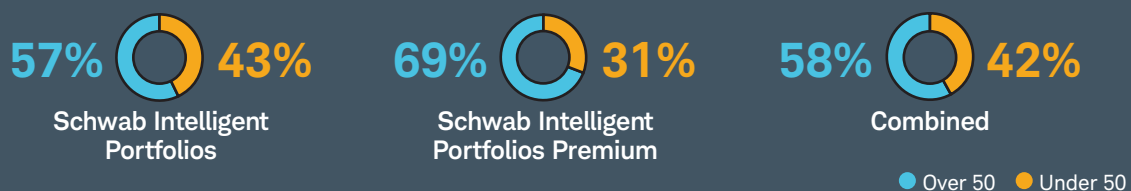
Portfolio risk models

Although volatility has led to an influx of investing activity in 2020, most clients stayed the course with their portfolio risk profile.



Percent over/under age 50

Schwab robo clients span age ranges, from young investors just starting out, to more seasoned investors nearing or in retirement.



Planning activity: Robo investors focus on goals during volatility

Across Schwab Intelligent Portfolios Premium, clients have remained highly engaged with Schwab's Certified Financial Planner™ professionals.

Making a plan

The need for a financial plan has become even more critical as clients navigate market volatility and uncertainty. Schwab Intelligent Portfolios Premium clients made nearly 40% more appointments with CERTIFIED FINANCIAL PLANNER™ professionals in March 2020, compared to the month prior, as pandemic-related volatility hit.

Number of plans year-to-date



3,600

Most common goals

Most Schwab Intelligent Portfolios Premium clients are long-term investors. Their goals have remained consistent throughout 2020, with a slight uptick (~10%) in those planning for travel in Q3 compared to the beginning of the year.

Schwab Intelligent Portfolios Premium – Top goals



Retirement
100%



Travel
68%



Auto
47%



Home Improvement
30%

Most common expectations and concerns

Despite uncertainty tied to COVID-19, clients remain optimistic as they plan for the future. However, long-term concerns loom around finances and health care.

Schwab Intelligent Portfolios Premium – Q3 2020

Top expectations		Top concerns	
Time to travel	82%	Out of money	77%
Less stress	72%	Healthcare cost	72%
Time with family	71%	Investment losses	60%
Active lifestyle	66%	Death of partner	51%
Work by choice (not need)	43%	Not having a paycheck	49%

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.

Disclosures

We encourage you to read the Schwab Intelligent Portfolios Solutions™ disclosure brochures for important information, pricing, and disclosures. Before you enroll, it's important you understand any and all costs, including the role of cash and the way Schwab earns income from the cash allocation in your portfolio, which will affect performance, and how Schwab and its affiliates work together.

Schwab Intelligent Portfolios® and Schwab Intelligent Portfolios Premium™ are made available through Charles Schwab & Co., Inc. ("Schwab"), a dually registered investment advisor and broker dealer. Portfolio management services are provided by Charles Schwab Investment Advisory, Inc. ("CSIA"). Charles Schwab Investment Management, Inc. ("CSIM"), the investment advisor for Schwab Funds, receives management fees on Schwab ETFs. Schwab, CSIA, and CSIM are affiliates and subsidiaries of The Charles Schwab Corporation.

Schwab Intelligent Portfolios has no advisory fee and doesn't charge commissions, and Schwab Intelligent Portfolios Premium offers financial planning for an initial fee of \$300 and a \$30 per month advisory fee charged quarterly after that.

There is no guarantee that the intended goal, or that the amount or duration of future withdrawals associated with those goals, will be reached.

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