

2024 National Financial Capability Study Investor Survey Instrument

Note:

- Changes to the NFCS Investor Survey are footnoted in this document. Footnotes are labeled with the year that the change was implemented (2024, 2021, or 2018).

Sample Characteristics:

- N = 2,861 investors who completed the 2024 NFCS State-by-State Survey
- All respondents screened to have:
 - Investments outside of retirement accounts
 - Primary or shared decision-making responsibility for investments in their household

Coding Notes:

- For all questions in the survey:
 - Code 98 = Don't know
 - Code 99 = Prefer not to say
- For questions that have been modified, answer codes may differ among waves.

- # Z) Thank you very much for participating in this research.
- Please be assured that all of your answers will be completely ANONYMOUS and CONFIDENTIAL. Therefore, please try to answer these questions as openly and honestly as possible.
- # A) [SECTION A: SCREENING]
- # A1) Which of the following best describes the situation in your household with regards to investments?
- | | |
|---|----|
| I am the primary decision-maker when it comes to making investments for my household | 1 |
| I share the decision-making responsibility when it comes to making investments for my household | 2 |
| I do not participate in decisions when it comes to making investments for my household | 3 |
| Don't know | 98 |
| Prefer not to say | 99 |
- [IF Q.A1 = 3, 98, 99 (NOT DM/DK/PNTS); TERMINATE]
- # A2) Do you have any investments in retirement accounts (e.g., 401(k), IRA, etc.)?
- | | |
|-------------------------|----|
| Yes..... | 1 |
| No | 2 |
| Don't know | 98 |
| Prefer not to say | 99 |
- # A3) Not including retirement accounts, do you have any investments in stocks, bonds, mutual funds, or other securities?
- | | |
|-------------------------|----|
| Yes..... | 1 |
| No | 2 |
| Don't know | 98 |
| Prefer not to say | 99 |
- [IF Q.A3 = 2, 98, 99 (NO/DK/PNTS); TERMINATE]

B) [SECTION B: INVESTMENTS]

B1) The following questions are about your investments that are not in retirement accounts. We will refer to these as “non-retirement accounts.”

B2) Which of the following types of investments do you currently own in non-retirement accounts?

[CREATE TWO BLOCKS: BLOCK 1 = B2_1 THROUGH B2_20; BLOCK 2 = B2_21 through B2_25; ALWAYS DISPLAY BLOCK 1 FIRST AND THEN BLOCK 2, BUT RANDOMIZE WITHIN BLOCKS]

		Yes	No	Don't know	Prefer not to say
B2_1)	Individual stocks	1	2	98	99
B2_2)	Individual bonds	1	2	98	99
B2_3)	Mutual funds	1	2	98	99
B2_4)	Exchange Traded Funds (ETFs)	1	2	98	99
B2_5)	Annuities (fixed, indexed, or variable)	1	2	98	99
B2_7)	Commodities or futures	1	2	98	99
B2_20) ¹	Whole life insurance (not term life insurance)	1	2	98	99
B2_21) ²	REITs	1	2	98	99
B2_23) ³	Microcap stocks or penny stocks	1	2	98	99
B2_24) ⁴	Structured notes	1	2	98	99
B2_25) ⁵	Private placements	1	2	98	99

B30)^{6,7} When did you first start investing in non-retirement accounts?

Less than a year ago.....1
 1 year to less than 2 years ago2
 2 years to less than 3 years ago.....3
 3 years to less than 5 years ago.....4
 5 years to less than 10 years ago.....5
 10 years ago or more.....6
 Don't know98
 Prefer not to say99

¹ 2018: New question. Replaces B2_6 from 2015.

² 2018: New question.

³ 2018: New question.

⁴ 2018: New question.

⁵ 2018: New question.

⁶ 2021: New question.

⁷ 2024: Changed “2 years to less than 5 years ago” into two separate categories (2 to less than 3 years and 3 to less than 5 years). Tracking comparisons can be made by coding into 2021 categories.

B3) In the past 12 months, how many times have you bought or sold investments in non-retirement accounts?

None.....1
 1 to 3 times.....2
 4 to 10 times.....3
 11 times or more4
 Don't know98
 Prefer not to say99

B4)⁸ What is the approximate total value of all of your investments in non-retirement accounts?

Less than \$5001
 \$500 to less than \$2,0002
 \$2,000 to less than \$5,0003
 \$5,000 to less than \$10,000.....4
 \$10,000 to less than \$25,000.....5
 \$25,000 to less than \$50,000.....6
 \$50,000 to less than \$100,000.....7
 \$100,000 to less than \$250,000.....8
 \$250,000 to less than \$500,000.....9
 \$500,000 to less than \$1,000,000.....10
 \$1,000,000 or more11
 Don't know98
 Prefer not to say99

B5) Do any of your investment accounts allow you to make purchases on margin?

Yes.....1
 No2
 Don't know98
 Prefer not to say99

[IF Q.B5 = 1 (YES), ASK; OTHERWISE, SKIP TO Q.B33]

B6) Have you made any securities purchases on margin?

Yes.....1
 No2
 Don't know98
 Prefer not to say99

B33)⁹ Do any of your investment accounts allow options trading?

Yes.....1
 No2
 Don't know98
 Prefer not to say99

⁸ 2024: Changed "Less than \$2,000" into two separate categories. Tracking comparisons can be made by coding into 2021 categories.

⁹ 2021: New question.

B34)¹⁰ [IF Q.B33 = 1 (YES), ASK; OTHERWISE, SKIP TO Q.B10]
Have you ever purchased or sold options?

Yes.....1
No2
Don't know98
Prefer not to say99

B10) Which of the following statements comes closest to describing the amount of financial risk that you are willing to take when you save or make investments?

Take substantial financial risks expecting to earn substantial returns.....1
Take above average financial risks expecting to earn above average returns.....2
Take average financial risks expecting to earn average returns.....3
Not willing to take any financial risks4
Don't know98
Prefer not to say99

B40)¹¹ How strongly do you agree or disagree with the following statement?

Please give your answer on a scale of 1 to 7, where 1 = "Strongly Disagree," 7 = "Strongly Agree," and 4 = "Neither Agree Nor Disagree". You can use any number from 1 to 7.

	Strongly Disagree 1	2	3	Neither Agree nor Disagree 4	5	6	Strongly Agree 7	Don't know	Prefer not to say
I need to take big risks with my investments in order to reach my financial goals	1	2	3	4	5	6	7	98	99

B41)¹² Have you ever purchased a "meme stock" or other investment that was trending on social media?

Yes.....1
No2
Don't know98
Prefer not to say99

B23)¹³ Have you heard of cryptocurrencies (e.g., Bitcoin, Ethereum, or Litecoin)?

Yes.....1
No2
Don't know98
Prefer not to say99

¹⁰ 2021: New question. Replaces B2_22 from 2018.

¹¹ 2024: New question.

¹² 2024: New question. Replaces B35 from 2021.

¹³ 2018: New question.

- # B24)¹⁴ [IF Q.B23 = 1 (YES), ASK; OTHERWISE, SKIP TO Q.C22]
In your opinion, how risky are cryptocurrencies as an investment?
- | | |
|-------------------------|----|
| Not at all risky..... | 1 |
| Slightly risky..... | 2 |
| Moderately risky..... | 3 |
| Very risky..... | 4 |
| Extremely risky..... | 5 |
| Don't know | 98 |
| Prefer not to say | 99 |
- # B25)¹⁵ Have you invested in cryptocurrencies, either directly or through a fund that invests in cryptocurrencies?
- | | |
|-------------------------|----|
| Yes..... | 1 |
| No | 2 |
| Don't know | 98 |
| Prefer not to say | 99 |
- # B42)¹⁶ [IF Q.B25 = 1 (YES), ASK; OTHERWISE, SKIP TO Q.B26]
In which of the following ways have you invested in cryptocurrency?
- Select **all** that apply.
- [RANDOMIZE – ANCHOR CODES 98, 99; CODES 98, 99 EXCLUSIVE]
- | | |
|--|-----|
| | [M] |
| Purchased directly through a cryptocurrency wallet..... | 1 |
| Purchased through a brokerage or exchange | 2 |
| Purchased shares of a mutual fund or ETF that owns cryptocurrency..... | 3 |
| Don't know | 98 |
| Prefer not to say | 99 |
- # B26)¹⁷ Are you considering investing in cryptocurrencies in the future?
- | | |
|-------------------------|----|
| Yes..... | 1 |
| No | 2 |
| Don't know | 98 |
| Prefer not to say | 99 |

¹⁴ 2018: New question.

¹⁵ 2018: New question.

¹⁶ 2024: New question.

¹⁷ 2018: New question.

C) [SECTION C: ACCOUNTS & TRANSACTIONS]

C22)¹⁸ How often do you buy or sell investments for your non-retirement accounts in the following ways?

[DO NOT RANDOMIZE]

		Never	Sometimes	Frequently	Don't know	Prefer not to say
C22_1)	I contact a specific person (my financial advisor) and ask them to make the sale or purchase	1	2	3	98	99
C22_2)	I call my financial firm and speak to an available representative	1	2	3	98	99
C22_3)	I place orders online through a website	1	2	3	98	99
C22_4)	I place orders through a mobile app	1	2	3	98	99

C40)¹⁹ How strongly do you agree or disagree with the following statement?

Please give your answer on a scale of 1 to 7, where 1 = “Strongly Disagree,” 7 = “Strongly Agree,” and 4 = “Neither Agree Nor Disagree”. You can use any number from 1 to 7.

	Strongly Disagree 1	2	3	Neither Agree nor Disagree 4	5	6	Strongly Agree 7	Don't know	Prefer not to say
I'm worried that managing my investments through the Internet makes my accounts less secure	1	2	3	4	5	6	7	98	99

C23)²⁰ Do you pay any of the following types of fees for investing in your non-retirement accounts?

[RANDOMIZE]

		Yes	No	Don't know	Prefer not to say
C23_1)	Fees for investment advice	1	2	98	99
C23_2)	Fees or commissions for trades	1	2	98	99
C23_3) ²¹	Mutual fund/ETF fees or expenses	1	2	98	99
C23_4)	Account service fees	1	2	98	99

¹⁸ 2018: New questions.

¹⁹ 2024: New question.

²⁰ 2018: New questions. These replace C16 from 2015.

²¹ 2021: Minor wording changes (added “ETF”).

C24)²² Considering all the various types of fees, approximately what percentage of your invested assets do you pay annually in fees for your non-retirement accounts?

Do not pay any fees1
 Less than 0.5%2
 0.5% to less than 1%3
 1% to less than 2%4
 2% to less than 4%5
 4% or more.....6
 Don't know98
 Prefer not to say99

C26)²³ A **trusted contact** is a person you authorize your investment firm to contact if the firm has trouble reaching you or suspects financial exploitation.

Have you authorized a trusted contact for any of your investment accounts?

Yes.....1
 No2
 Don't know98
 Prefer not to say99

[IF Q.C26 = 1 (YES), ASK; OTHERWISE, SKIP TO Q.C42]

C41)²⁴ Did you authorize a trusted contact as part of the process of opening a new investment account?

Yes.....1
 No2
 Don't know/Don't recall98
 Prefer not to say99

[IF Q.C26 = 2, 98, 99 (NO, DK, PNTS), ASK; OTHERWISE, SKIP TO Q.C7]

C42)²⁵ Do you recall being asked to name a trusted contact for your investment accounts?

Yes.....1
 No2
 Don't know98
 Prefer not to say99

C43)²⁶ Would you be willing to name a trusted contact for your investment accounts?

Yes.....1
 No2
 Don't know98
 Prefer not to say99

²² 2018: New question. Replaces C14 from 2015.

²³ 2018: New question.

²⁴ 2024: New question.

²⁵ 2024: New question.

²⁶ 2024: New question.

C7) Have you ever checked with a state or federal regulator regarding the background, registration, or license of a financial professional?

Yes.....1
 No2
 Don't know98
 Prefer not to say99

D) [SECTION D: SECURITIES MARKET & FRAUD]

D40)²⁷ How strongly do you agree or disagree with the following statement?

Please give your answer on a scale of 1 to 7, where 1 = “Strongly Disagree,” 7 = “Strongly Agree,” and 4 = “Neither Agree Nor Disagree”. You can use any number from 1 to 7.

	Strongly Disagree 1	2	3	Neither Agree nor Disagree 4	5	6	Strongly Agree 7	Don't know	Prefer not to say
U.S. financial markets are fair to all investors	1	2	3	4	5	6	7	98	99

D31)²⁸ How strongly do you agree or disagree with the following statement?

Please give your answer on a scale of 1 to 7, where 1 = “Strongly Disagree,” 7 = “Strongly Agree,” and 4 = “Neither Agree Nor Disagree”. You can use any number from 1 to 7.

	Strongly Disagree 1	2	3	Neither Agree nor Disagree 4	5	6	Strongly Agree 7	Don't know	Prefer not to say
I am worried about losing money due to investment fraud	1	2	3	4	5	6	7	98	99

D41)²⁹ Do you believe you were targeted in an investment fraud or scam in the past year?

Yes.....1
 No2
 Don't know98
 Prefer not to say99

[IF Q.D41 = 1 (YES), ASK; OTHERWISE, SKIP TO Q.E2]

D42)³⁰ Did you lose any money as a result of the fraud or scam?

Yes.....1
 No2
 Don't know98
 Prefer not to say99

²⁷ 2024: New question. Replaces D1_2 from 2021.²⁸ 2021: New question. Replaces D4 from 2018.²⁹ 2024: New question.³⁰ 2024: New question.

#	E)	[SECTION E: DISCLOSURE]	
#	E2) ³¹	Have you ever received any disclosures regarding your investments (such as mutual fund summary prospectuses, potential conflict of interest disclosures, disclosures of risks of specific financial products, etc.)?	
		Yes.....	1
		No	2
		Don't know	98
		Prefer not to say	99
		[IF Q.E2 = 1 (YES), ASK; OTHERWISE, SKIP TO Q.E6]	
#	E3) ³²	Which of the following best describes what you usually do when you receive a disclosure regarding your investments?	
		[RANDOMIZE ORDER 1-3 AND 3-1]	
		Do not read the disclosure.....	1
		Skim the disclosure.....	2
		Read the entire disclosure	3
		Don't know	98
		Prefer not to say	99
#	E4) ³³	In general, how valuable do you find the disclosures you receive?	
		Very valuable	1
		Somewhat valuable.....	2
		Not at all valuable.....	3
		Don't know	98
		Prefer not to say	99
#	E6)	By which method would you prefer to receive mandatory disclosures regarding your investments?	
		In-person meetings with a broker or advisor	1
		Paper documents physically mailed to you.....	2
		Documents delivered to you electronically by email.....	3
		Documents that you access on the Internet (not via email)	4
		None of the above.....	5
		Don't know	98
		Prefer not to say	99

³¹ 2024: Question was removed in 2018 and reinstated in 2024.

³² 2024: Question was removed in 2018 and reinstated in 2024.

³³ 2024: Question was removed in 2018 and reinstated in 2024.

F) [SECTION F: INFORMATION SOURCES]

F30)³⁴ How much do you rely on each of the following when making decisions about what to invest in?
[RANDOMIZE]

		Not at all	Somewhat	A great deal	Don't know	Prefer not to say
F30_1)	Recommendations from financial professionals who advise you personally	1	2	3	98	99
F30_2)	Investment research and tools provided by your brokerage or financial advisory firm	1	2	3	98	99
F30_3)	Popular investments displayed on a mobile trading app you use	1	2	3	98	99
F30_4)	Business and finance articles in print or on the Internet	1	2	3	98	99
F30_5)	TV programs about business and finance	1	2	3	98	99
F30_6)	Radio programs about business and finance	1	2	3	98	99
F30_7)	Online videos about business and finance	1	2	3	98	99
F30_8)	Podcasts about business and finance	1	2	3	98	99
F30_9)	Social media groups or message boards where people post investment ideas	1	2	3	98	99
F30_10)	Financial newsletters or online resources that you pay for	1	2	3	98	99
F30_12)	Information from friends, family, colleagues	1	2	3	98	99

F31)³⁵ Which, if any, of the following do you use for information about investing?

[RANDOMIZE]

		Yes	No	Don't know	Prefer not to say
F31_1)	YouTube	1	2	98	99
F31_2)	Facebook	1	2	98	99
F31_3)	Reddit	1	2	98	99
F31_4)	TikTok	1	2	98	99
F31_5)	Instagram	1	2	98	99
F31_6)	Twitter	1	2	98	99
F31_7)	Discord	1	2	98	99
F31_10)	LinkedIn	1	2	98	99
F31_40) ³⁶	WhatsApp	1	2	98	99
F31_41) ³⁷	Telegram	1	2	98	99
F31_42) ³⁸	Rumble	1	2	98	99

³⁴ 2021: New questions. These replace C20, F1 and F2 from 2018.

³⁵ 2021: New questions.

³⁶ 2024: New question.

³⁷ 2024: New question.

³⁸ 2024: New question.

#	F40) ³⁹	How often do you make investment decisions based on recommendations from a social media personality?	
		Frequently	1
		Sometimes.....	2
		Never.....	3
		Don't know	98
		Prefer not to say	99

³⁹ 2024: New question.

G) [SECTION G: QUIZ & SELF-PERCEPTION]

G2) On a scale from 1 to 7, where 1 means very low and 7 means very high, how would you assess your overall knowledge about investing?

Very Low 1	2	3	4	5	6	Very High 7	Don't know	Prefer not to say
1	2	3	4	5	6	7	98	99

G30)⁴⁰ How well does each of the following describe why you invest?

[RANDOMIZE; PAIR G30_1 & G30_2]

		Does not describe at all	Describes somewhat	Describes very well	Don't know	Prefer not to say
G30_1)	To make money in the <u>short term</u>	1	2	3	98	99
G30_2)	To make money in the <u>long term</u>	1	2	3	98	99
G30_3)	For entertainment/excitement/fun/playing a game	1	2	3	98	99
G30_4)	My peers are doing it/social activity/connecting with others	1	2	3	98	99
G30_5)	To make a difference in the world/support values I care about/be socially responsible	1	2	3	98	99
G30_6)	To learn about investing	1	2	3	98	99

G31)⁴¹ How important is ESG (environmental, social, and corporate governance issues) to you when making investment decisions?

Not At All Important 1	2	3	4	5	6	7	8	9	Extremely Important 10	Don't know	Prefer not to say
1	2	3	4	5	6	7	8	9	10	98	99

G40)⁴² To the best of your knowledge, did/do your parents have investments in stocks, bonds, mutual funds, or other securities?

Yes.....1
 No2
 Don't know98
 Prefer not to say99

⁴⁰ 2021: New questions.

⁴¹ 2021: New question.

⁴² 2024: New question.

G41)⁴³ Did/do your parents or other family members ever talk to you about investing?

Yes.....1
 No2
 Don't know/Don't recall98
 Prefer not to say99

G42)⁴⁴ How strongly do you agree or disagree with the following statement?

Please give your answer on a scale of 1 to 7, where 1 = "Strongly Disagree," 7 = "Strongly Agree," and 4 = "Neither Agree Nor Disagree". You can use any number from 1 to 7.

	Strongly Disagree 1	2	3	Neither Agree nor Disagree 4	5	6	Strongly Agree 7	Don't know	Prefer not to say
People like me aren't usually investors	1	2	3	4	5	6	7	98	99

G43)⁴⁵ If you heard about an investment opportunity that promises a guaranteed, risk-free 25% annual return every year for the next 5 years, would you invest in it?

Yes.....1
 No2
 Don't know98
 Prefer not to say99

G3) You will now see a set of questions regarding various aspects of investing. This is not a test, and you will not be "graded" on your responses. If you do not know an answer or are not sure, please feel free to indicate that.

G4) If you buy a company's stock...

You own a part of the company1
 You have lent money to the company2
 You are liable for the company's debts3
 The company will return your original investment to you with interest.....4
 Don't know98
 Prefer not to say99

G5) If you buy a company's bond...

You own a part of the company1
 You have lent money to the company2
 You are liable for the company's debts3
 You can vote on shareholder resolutions4
 Don't know98
 Prefer not to say99

⁴³ 2024: New question.

⁴⁴ 2024: New question.

⁴⁵ 2024: New question.

- # G6) If a company files for bankruptcy, which of the following securities is most at risk of becoming virtually worthless?
- | | |
|-------------------------------------|----|
| The company's preferred stock | 1 |
| The company's common stock..... | 2 |
| The company's bonds | 3 |
| Don't know | 98 |
| Prefer not to say | 99 |
- # G7) In general, investments that are riskier tend to provide higher returns over time than investments with less risk.
- | | |
|-------------------------|----|
| True | 1 |
| False | 2 |
| Don't know | 98 |
| Prefer not to say | 99 |
- # G21)⁴⁶ The past performance of an investment is a good indicator of future results.
- | | |
|-------------------------|----|
| True | 1 |
| False | 2 |
| Don't know | 98 |
| Prefer not to say | 99 |
- # G8) Over the last 20 years in the US, the best average returns have been generated by:
- | | |
|-----------------------------|----|
| Stocks | 1 |
| Bonds | 2 |
| CDs | 3 |
| Money market accounts | 4 |
| Precious metals | 5 |
| Don't know | 98 |
| Prefer not to say | 99 |
- # G44)⁴⁷ If inflation is 5% over a 12-month period, how much would your investments have to grow for you to come out ahead over that time period?
- | | |
|-------------------------|----|
| Less than 5% | 1 |
| 5% | 2 |
| More than 5%..... | 3 |
| Don't know | 98 |
| Prefer not to say | 99 |

⁴⁶ 2018: New question.

⁴⁷ 2024: New question.

- # G22)⁴⁸ What is the main advantage that index funds have when compared to actively managed funds?
- Index funds are generally less risky in the short term.....1
 Index funds generally have lower fees and expenses2
 Index funds are generally less likely to decline in value3
 Don't know98
 Prefer not to say99
- # G11) Which of the following best explains why many municipal bonds pay lower yields than other government bonds?
- Municipal bonds are lower risk.....1
 There is a greater demand for municipal bonds.....2
 Municipal bonds can be tax-free.....3
 Don't know98
 Prefer not to say99
- # G12) You invest \$500 to buy \$1,000 worth of stock on margin. The value of the stock drops by 50%. You sell it. Approximately how much of your original \$500 investment are you left with in the end?
- \$5001
 \$2502
 \$03
 Don't know98
 Prefer not to say99
- # G13) Which is the best definition of “selling short”?
- Selling shares of a stock shortly after buying it.....1
 Selling shares of a stock before it has reached its peak2
 Selling shares of a stock at a loss.....3
 Selling borrowed shares of a stock4
 Don't know98
 Prefer not to say99
- # G23)⁴⁹ If you own a call option with a strike price of \$50 on a security that is priced at \$40, and the option is expiring today, which of the following is closest to the value of that option?
- \$101
 \$02
 -\$10.....3
 Don't know98
 Prefer not to say99

⁴⁸ 2018: New question.

⁴⁹ 2018: New question.

- # H) [SECTION H: MISCELLANEOUS QUESTIONS]
- # [DISPLAY Q's H30 AND H40 ON SAME SCREEN]
- # H30) This final question is for statistical purposes only. As with the rest of this survey, your answers are completely confidential and anonymous.
- # H40)⁵⁰ Have you given anyone power of attorney over your financial matters?
- Yes, currently in effect1
- Yes, contingent upon certain conditions in the future.....2
- No3
- Don't know98
- Prefer not to say99
- # 999) [POINT OF COMPLETE]

⁵⁰ 2024: New question.