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A 15-YEAR COMPARISON  
*of*  
OPTIONS INVESTORS

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==== April 2010 =====

**OIC** The Options  
Industry Council

# Our 2010 Study

The Options Industry Council (OIC) is pleased to present the results of its Study of Options Users for 2010.

This study was designed to provide a profile of options investors and note the similarities and differences between investors who use options and those who do not. The study was conducted by Harris Interactive. Investors were surveyed from December 2009 through January 2010. 792 interviews were completed among options users and 538 interviews were completed among non-options users.

# Past Studies

A few years after it was created, OIC commissioned a study to form a clearer picture of changes occurring in the financial services industry and to better understand the educational needs of investors. The 1995 study focused on comparing options users to non-options users.

Studies were commissioned in 2000 and 2005 to gain insight on the continued growth in trading volume and provided an updated comparison of options users to non-options users from the original study.

# Methodology Changes

As the marketplace has evolved, so have certain aspects of the study's methodology. These differences do not allow Harris Interactive to definitively track the results from previous studies.

Some of the questions have changed over the years, taking into account facts such as widespread adoption of Internet-based technology, but a majority of benchmark questions remain. This year's study was conducted online among customers of five discount brokers. That does affect some of the responses. For example, earlier studies found options users more computer savvy than non-users, a result rendered moot given the sample in this study.

While the methodology changes preclude Harris Interactive from tracking results from one study to another, OIC believes some of the results reveal patterns clear enough to allow comparisons across studies. Those trends are noted over the next several pages.

The 2000, 2005 and 2010 studies can be found at [www.OptionsEducation.org](http://www.OptionsEducation.org).

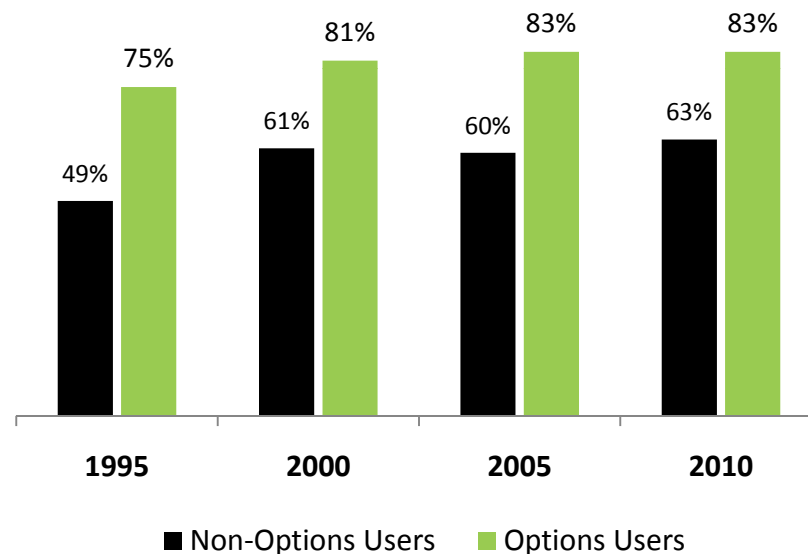
# Options Users are Active Traders

Among the more consistent trends across the studies is the finding that options users are more active traders. Options users made an average of 31 stock trades per year compared to 24 for non-options users. In 1995, this was 23 trades for options users compared to 14 for non-users and 35 to 21 in 2000.

In 2005, there was no average trade figure, but 45% of options users made 51 or more stock trades compared to 12% of non-users. The largest percentage of non-users (45%) made 1-10 stock trades. Likewise in 2010, the largest percentage of non-users (35%) made 1-10 trades, while the largest group of options users (31%) made 51 or more trades.

# Options Users are More Knowledgeable Investors

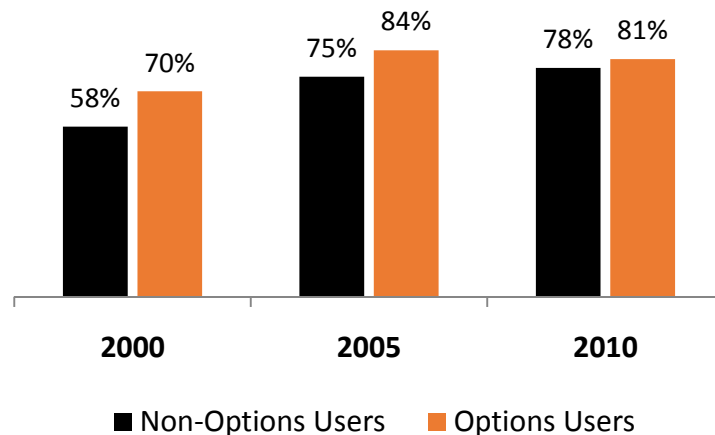
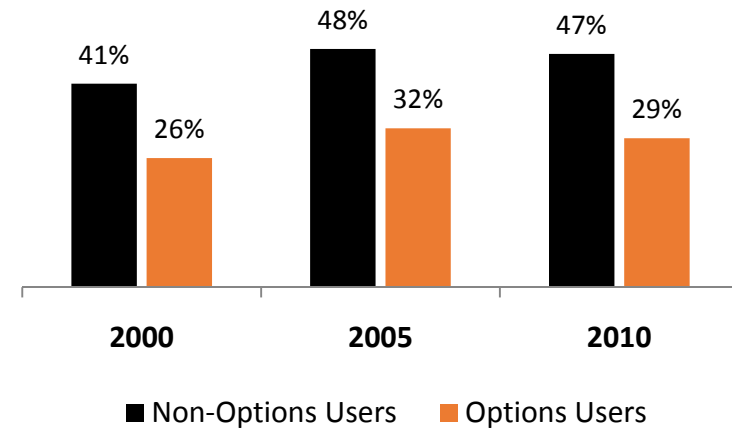
One trend showing consistent margins across all four studies is the response from options users and non-users to the question of their knowledge level.



CONSIDER THEMSELVES 'EXTREMELY KNOWLEDGEABLE INVESTORS'

# Options Users are Strategic Investors More Open to New Ideas

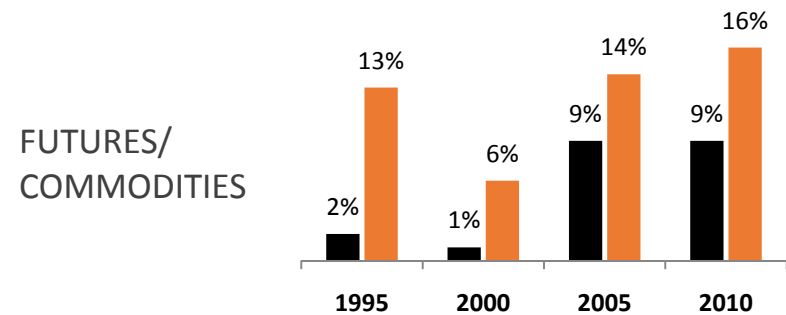
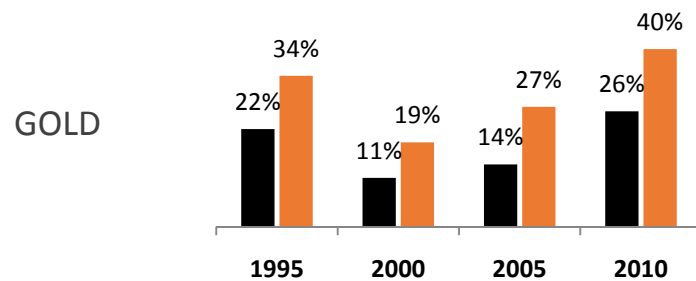
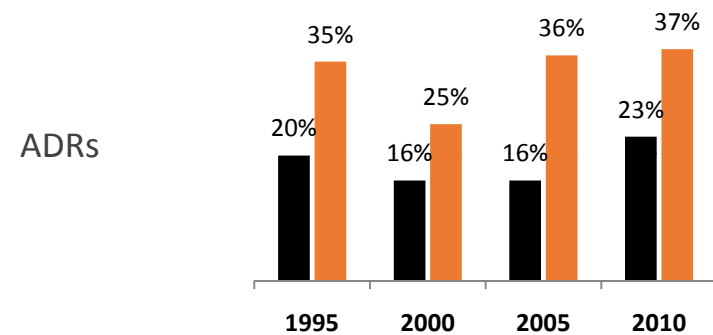
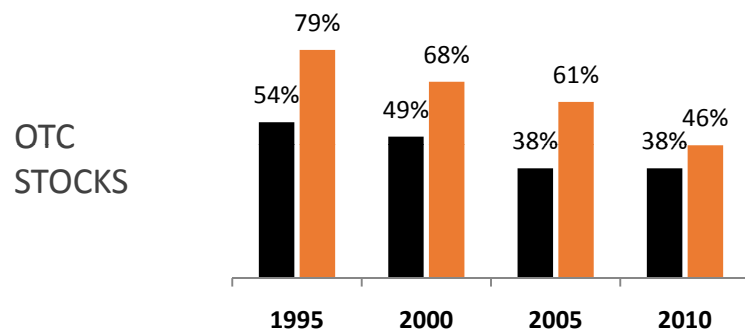
By pretty consistent margins across the 2000, 2005 and 2010 studies, non-options users say they consider themselves to be more a saver than an investor.



Though the gap has narrowed across the last three studies, those who trade options are more likely to say they are always interested in looking at new investment vehicles.

# Options Users are Strategic Investors Who Own a Variety of Instruments

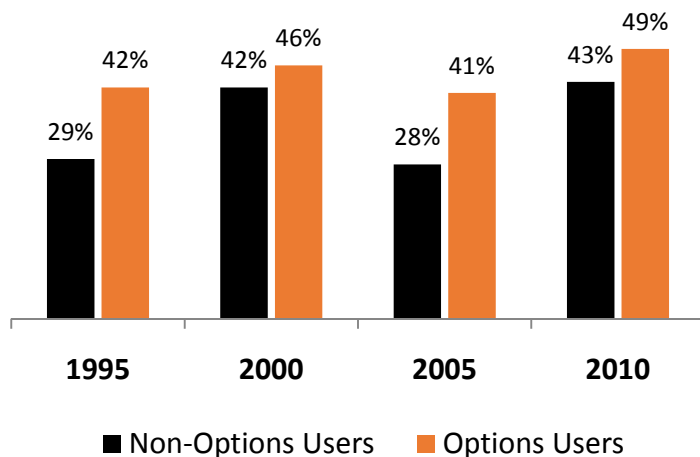
Each study has shown options users are more likely to have a wider diversity of investments in their portfolios. While both options users and non-users are equally likely to own listed stocks, options users are more likely to own:



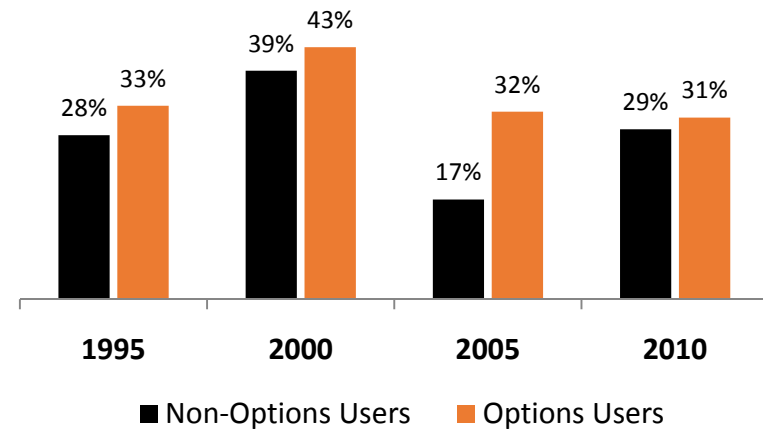
■ Non-Options Users   ■ Options Users

# Options Users are More Educated and Affluent Investors

Demographic trends that have continued throughout the surveys show people who invest in options are more likely to be college graduates, have higher incomes and a higher value of liquid assets.



INCOME \$100K (+)



LIQUID ASSET VALUE \$500K (+)

# For More Information

To learn more about options, please contact

The Options Industry Council

at:

[www.OptionsEducation.org](http://www.OptionsEducation.org)

or call us at:

**1-888-OPTIONS**



AHEAD OF WHAT'S NEXT.



## Study of Investors

Final Report  
March 30, 2010



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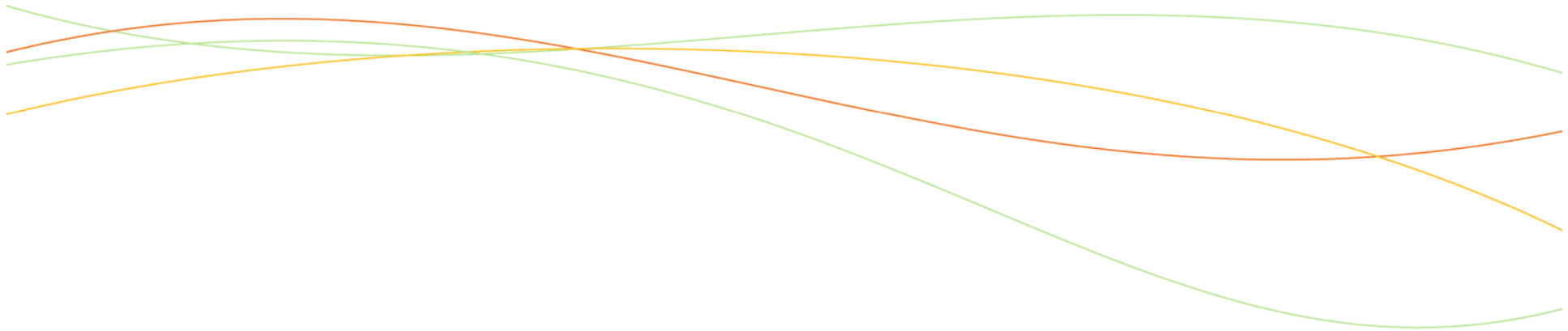


# Background and Objectives



## Background and Objectives

- The Options Industry Council (OIC) was created in 1992 to educate investors and their financial advisors about the benefits and risks associated with exchange-traded equity Options.
- The research presented in this report was sponsored by OIC to explore similarities and differences between Options Users and Non-Options Users as well as provide the Options industry with a current profile of Options Users. The research is designed as a benchmark to allow OIC and the Options industry to track changes over time. The research will be used for both internal strategic planning as well as for public release.



# Methodology





## Methodology

- Harris Interactive conducted the OIC Study of Investors online from December 1, 2009 – January 26, 2010 among 1,330 investors.
- The investors comprised customers from five participating discount brokerage firms.
- Interviews were conducted among 792 Options Users and 538 Non-Options Users using the following definitions:
  - **Options Users** are defined as customers at firms who have a minimum of \$25,000 in liquid assets in their non-IRA accounts and have traded Options within the past 12 months.
  - **Non-Options Users** are defined as customers at firms who have minimum of \$25,000 in liquid assets in their non-IRA accounts and have NOT traded Options within the past 12 months but made at least one securities trade in the past 12 months.
- Data were weighted so that each firm is represented equally in the aggregate data.



# Executive Summary



## Executive Summary

### Attitudes Towards Trading and Trading Activity

**Options Users are extremely active investors and plan to stay that way. They are extremely knowledgeable and passionate about their investing.**

- On average, Options Users make almost 30 Options trades per year. In addition, they make an additional 30 stock trades per year, significantly more than Non-Options Users who make, on average, 24 stock trades per year.
  - The majority of both Options Users and Non-Options Users will maintain or increase stock trading activity in the next 12 months.
- 8 in 10 Options Users consider themselves to be extremely knowledgeable investors and are always interested in looking at new investment vehicles.
  - This compares with 63% of Non-Options Users who consider themselves to be extremely knowledgeable investors.
- 54% of Options Users strongly agree that investing is more than a hobby or a means to an end; it's an important part of their life, compared to 38% of Non-Options Users.
- 31% of Options Users strongly agree they enjoy the thrill of playing the market and are very comfortable taking high levels of risk in return for significant gain.
  - 20% of Non-Options Users strongly agree they are comfortable with this level of risk.



## Executive Summary

### Reasons for Trading/Not Trading

**Options Users primarily trade Options to increase income on portfolios or for short-term gain. Non-Options Users are not adverse to trading Options, in fact more than half (55%) express interest in trading Options in the future. Lack of knowledge and understanding is the primary stumbling block among this group.**

- Seven in ten Options Users trade Options to “increase income on portfolio” or “for short-term gains”.
- One-third of Non-Options Users have traded Options in the past. Of this group, almost three-quarters would consider trading Options again in the future.
  - 42% of those Non-Options Users that have traded Options in the past indicate that trading Options is too speculative/risky in the current economic environment. Almost one-third indicate insufficient knowledge/understanding.
- Three-quarters of Non-Options Users that have never traded Options indicate that they have little knowledge/understanding of Options. However, 47% would be interested in trading Options in the future.



## Executive Summary

### Investment and Demographic Profile

- Options Users are more affluent and have achieved a higher level of education than Non-Options Users.
  - Options Users have an annual household income of \$203K compared with \$154K for Non-Options Users.
  - Options Users have average liquid assets of \$643K compared with \$580K for Non-Options Users.
  - 80% of Options Users are at least college graduates compared with 73% of Non-Options Users.
- Options Users have a more diversified portfolio of investments than Non-Options Users.
  - Options Users' portfolios are more likely to include Over-the-Counter stocks, ADRs, ETFs/Investment Trusts, Gold and Futures.



## Executive Summary

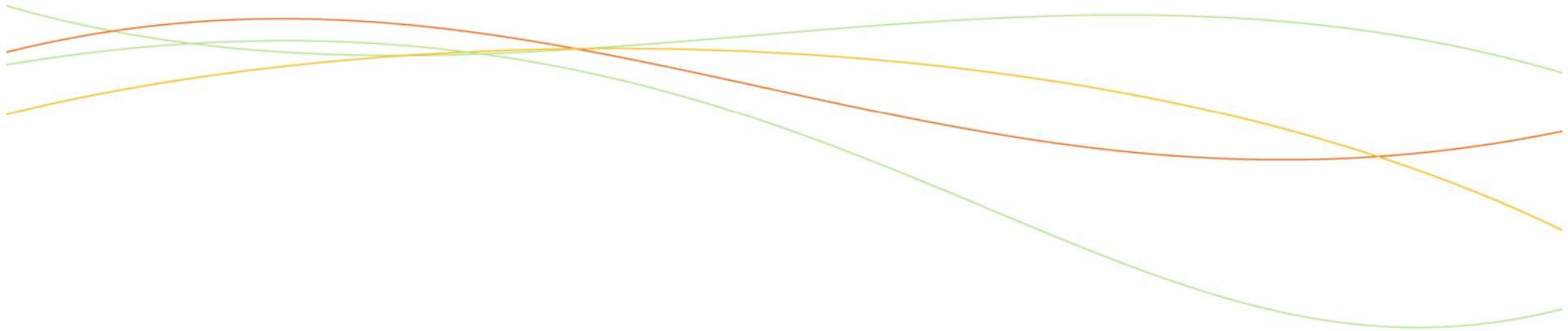
### Confidence in Discount Brokerage Firm and Brokers' Knowledge

**Investors are confident in their Discount Brokerage Firms' ability to meet their investment needs. Options Users also express confidence in the firm's knowledge about Options.**

- 49% of Options Users and 45% of Non-Options Users are extremely/very confident their Broker will meet their needs.
- 82% of Options Users feel their broker is knowledgeable about Options.

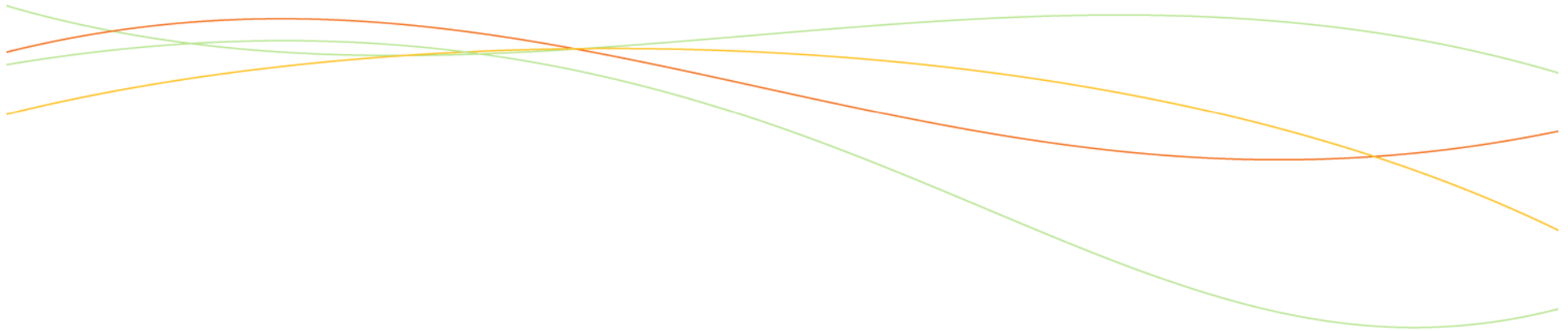
**Options Users are loyal to their brokerage firm for their Options activity.**

- While Options Users have multiple brokerage accounts (on average 3.4), they tend to consolidate their Options activities into one account (on average 1.6).



# Detailed Findings

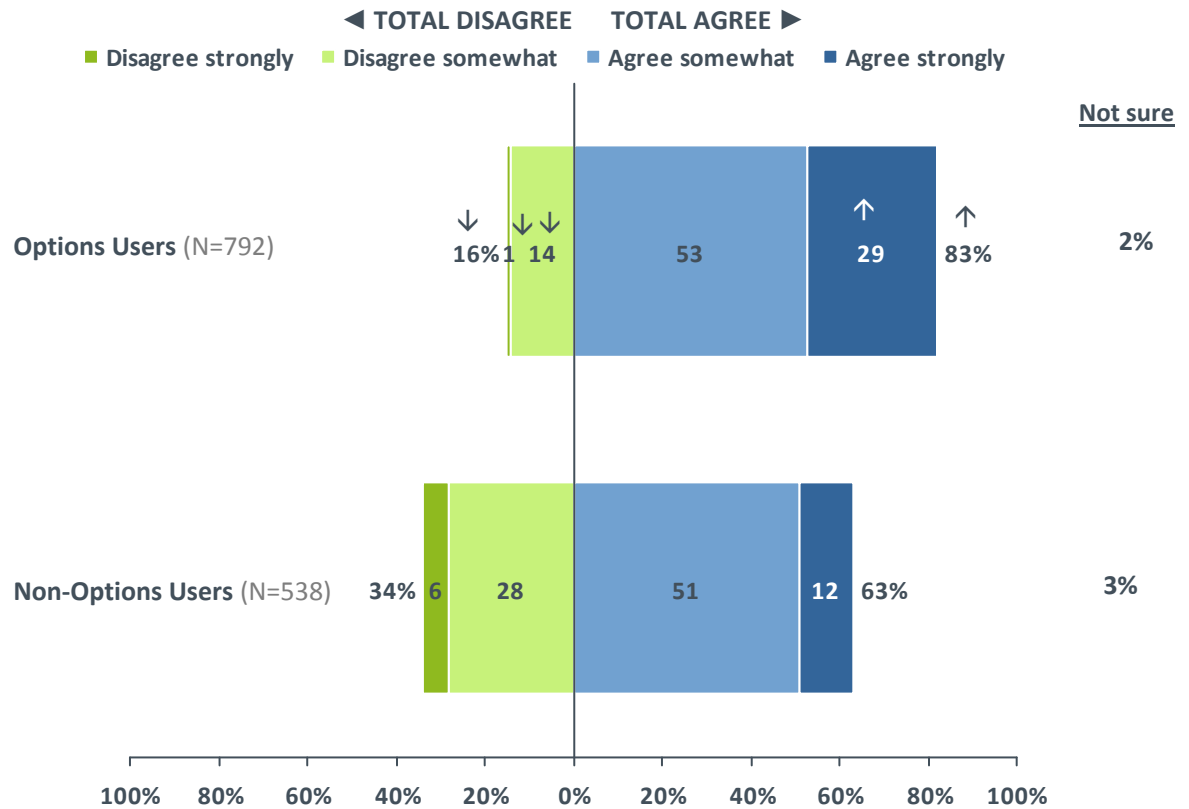




## Attitudes Towards Trading and Trading Activity

# Options Users consider themselves to be extremely knowledgeable investors.

I consider myself to be an extremely knowledgeable investor.

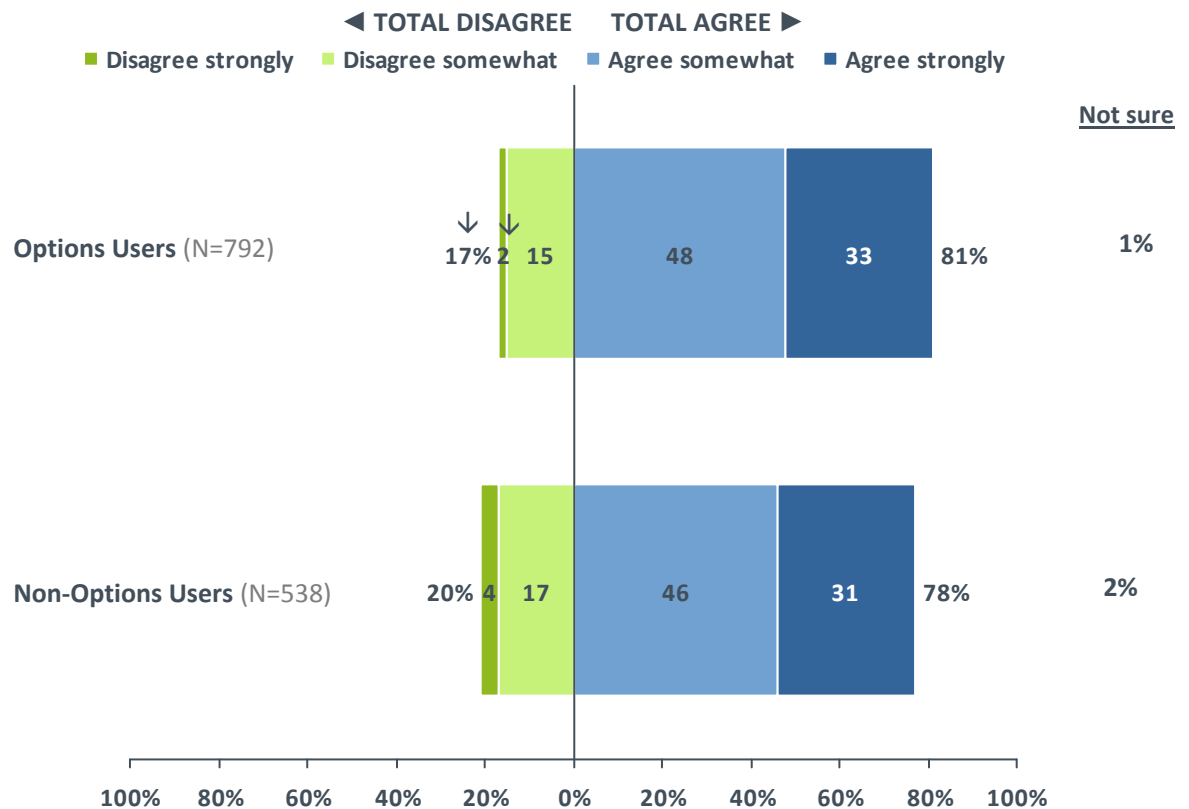


**BASE: ALL QUALIFIED RESPONDENTS**

Q705 Please indicate how much you agree or disagree with each of the following statements.

# Both Options Users and Non-Options Users are always interested in looking at new investment vehicles.

I am always interested in looking at new investment vehicles.



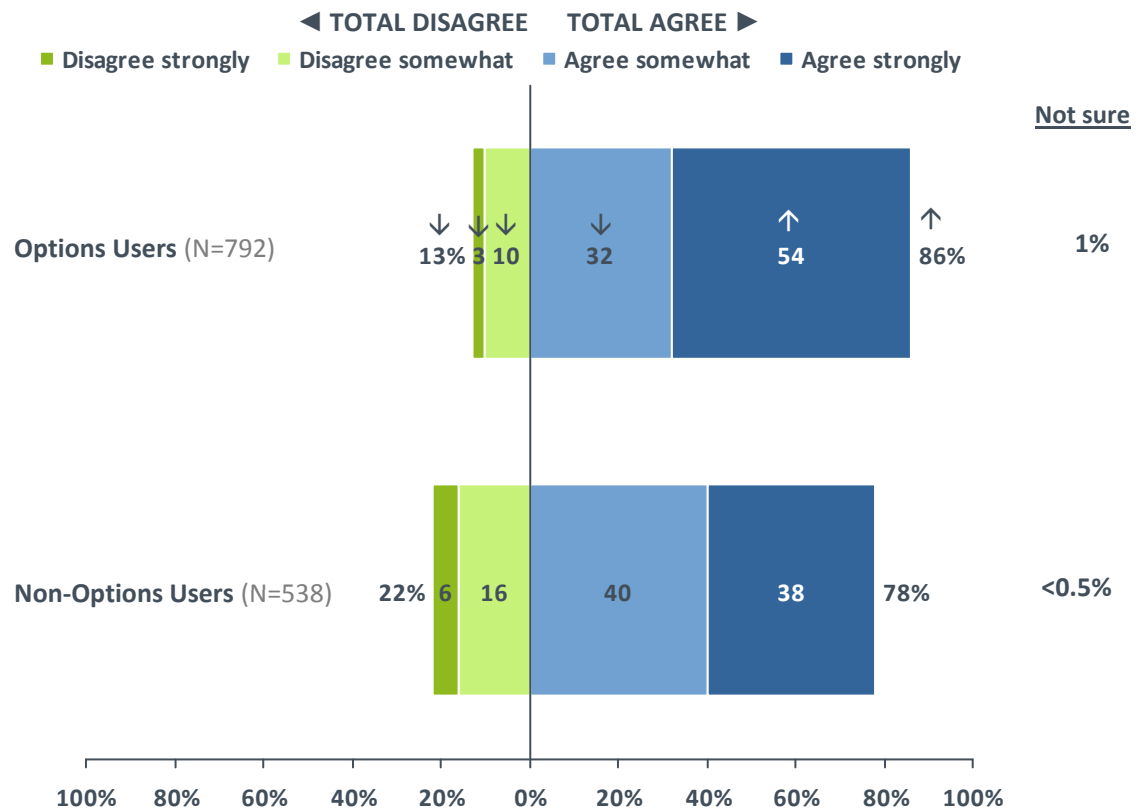
↑/↓ Options Users significantly higher/lower than Non-Options Users

**BASE: ALL QUALIFIED RESPONDENTS**

Q705 Please indicate how much you agree or disagree with each of the following statements.

# Options Users are passionate about investing. Compared with Non-Options Users they are more likely to consider it an important part of their lives.

Investing is more than a hobby or a means to an end; it is an important part of my life.

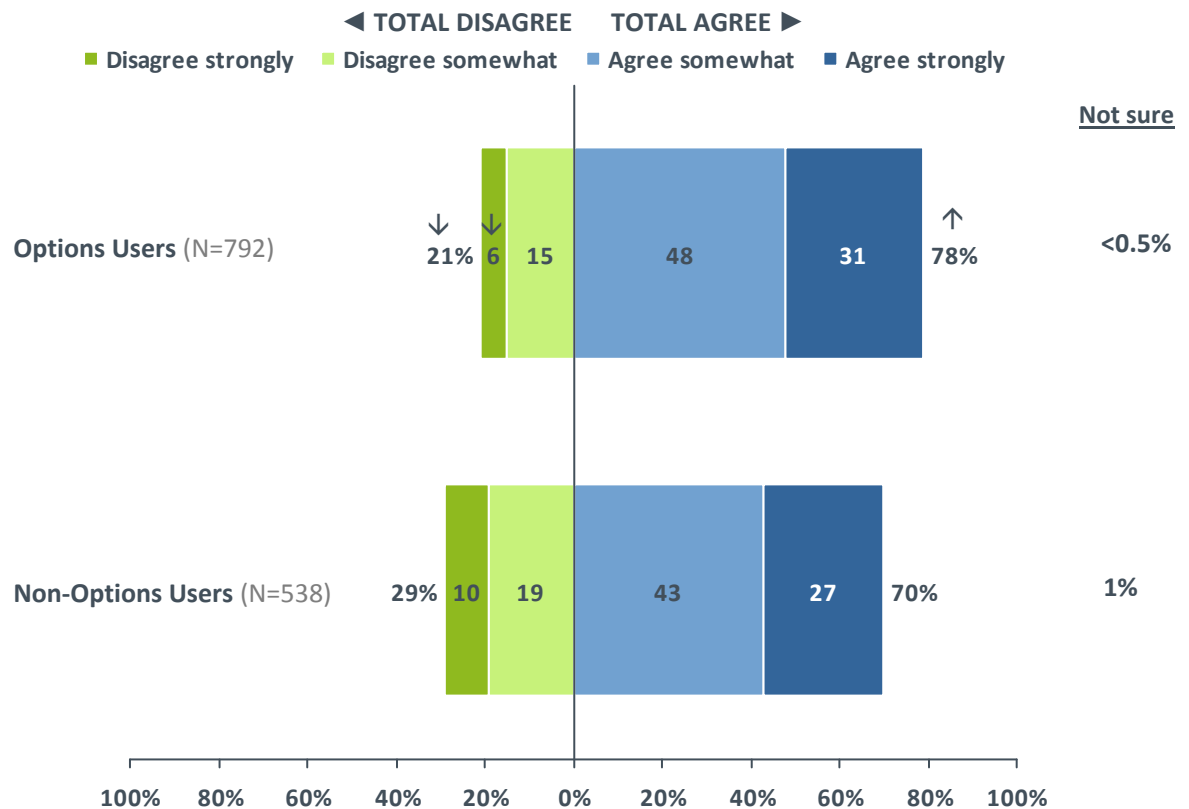


**BASE: ALL QUALIFIED RESPONDENTS**

Q705 Please indicate how much you agree or disagree with each of the following statements.

# More Options Users than Non-Options Users enjoy the thrill of playing the market.

I enjoy the thrill of playing the market.

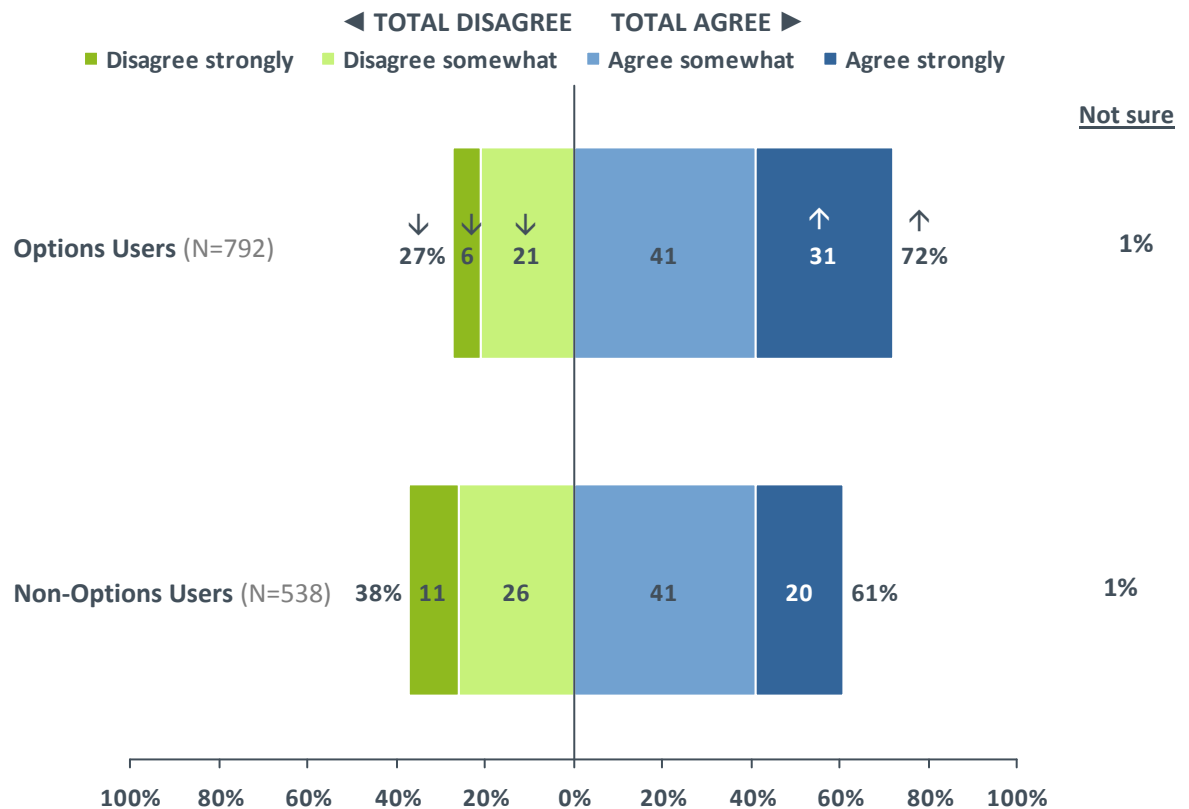


**BASE: ALL QUALIFIED RESPONDENTS**

Q705 Please indicate how much you agree or disagree with each of the following statements.

# Options Users are more risk tolerant compared to Non-Options Users.

I am very comfortable taking high levels of risk in return for significant gain.

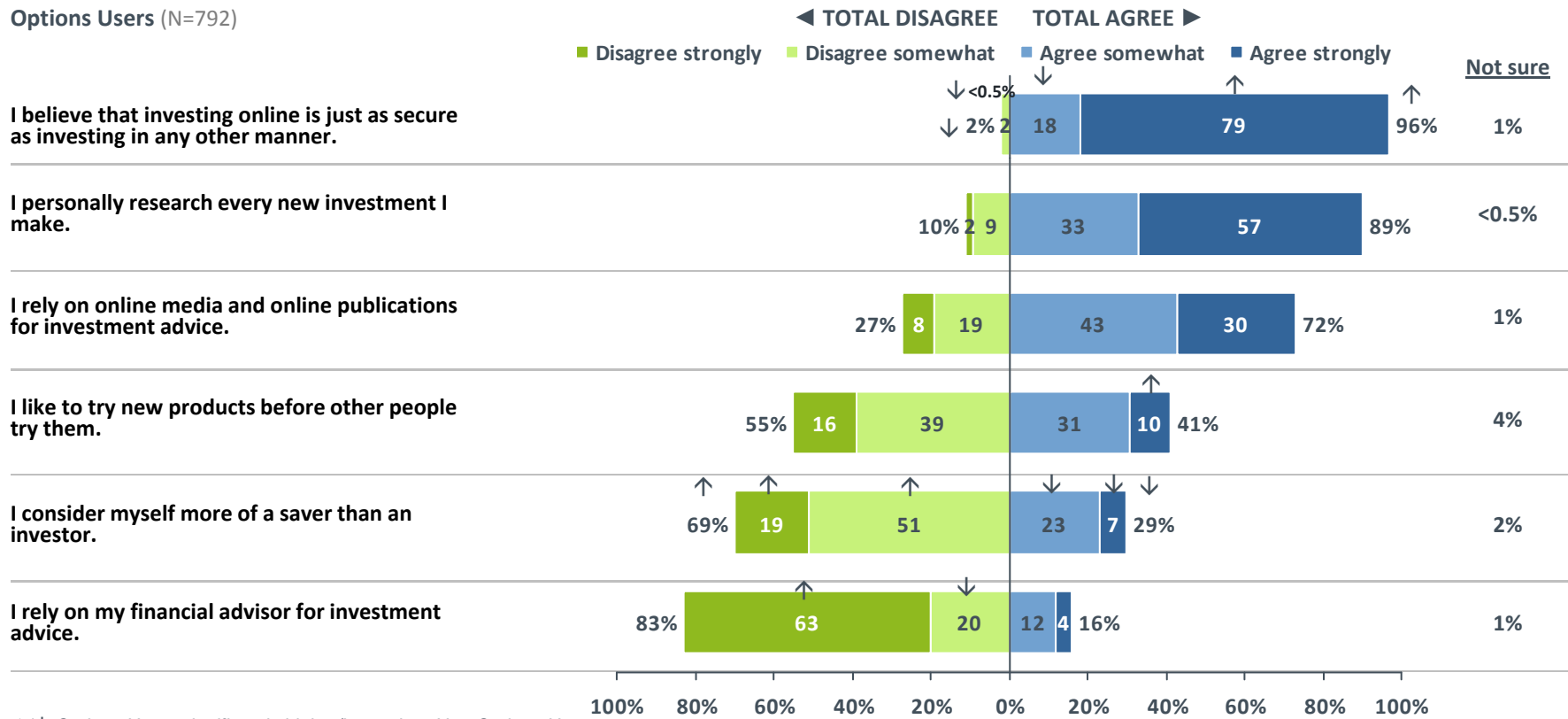


**BASE: ALL QUALIFIED RESPONDENTS**

Q705 Please indicate how much you agree or disagree with each of the following statements.

**Almost all investors believe online investing is as secure as investing in any other manner. Furthermore, most investors research every new investment they make.**

Options Users (N=792)

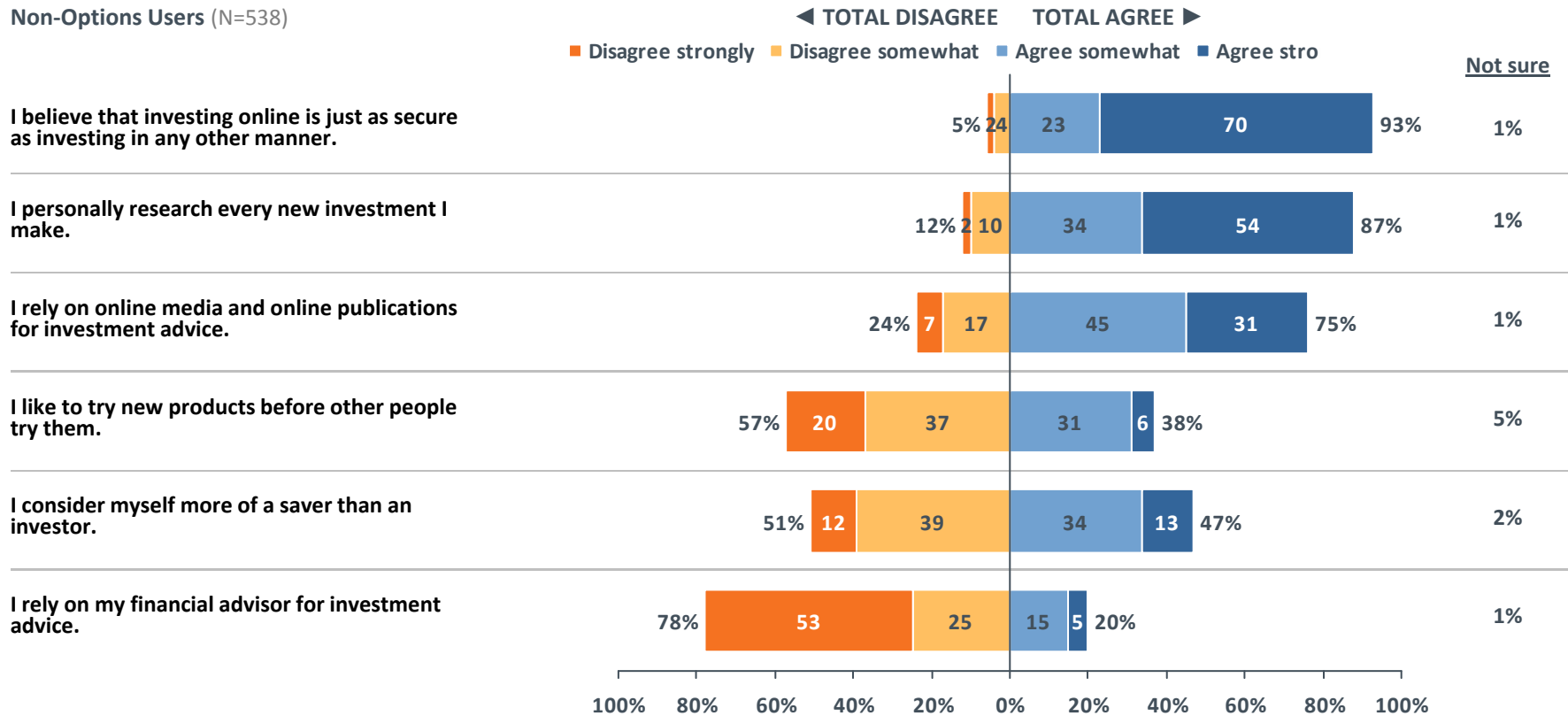


↑/↓ Options Users significantly higher/lower than Non-Options Users

**BASE: OPTIONS USERS**

Q705 Please indicate how much you agree or disagree with each of the following statements.

Non-Options Users (N=538)



**BASE: NON-OPTIONS USERS**

Q705 Please indicate how much you agree or disagree with each of the following statements.

## Options Users are more active traders than Non-Options Users, particularly in Stocks.

- The frequency of trading investments among Options Users is higher with Stocks, averaging 30.8 times per year compared with 24.1 times per year for Non-Options Users.
- The number of Options trades for Options Users is slightly lower than Stocks at 29.9.

	Options Users			Non-Options Users		
	Options (N=792)	Stocks (N=781)	Bonds (N=200)	Options	Stocks (N=536)	Bonds (N=125)
1 – 10	25%	17% ↓	78%	NA	35%	81%
11 – 20	19%	23%	14%	NA	20%	15%
21 – 30	11%	16%	4%	NA	14%	3%
31 – 40	6%	8%	2%	NA	8%	1%
41 – 50	7%	6%	1%	NA	4%	0%
51 or more	31%	31% ↑	2%	NA	20%	1%
Mean	29.9	30.8 ↑	9.4	NA	24.1	8.1

NA = Not Applicable

↑/↓ Options Users significantly higher/lower than Non-Options Users

**BASE: ALL QUALIFIED RESPONDENTS**

**Q850** In the past year, approximately how many trades have you made in each of the following types of investments?  
A "trade" would mean either a purchase or a sale.

The favored mode of trading is “do-it-yourself” online trading execution for both Options Users and Non-Options Users. This is not surprising given the discount brokerage composition of the sample.

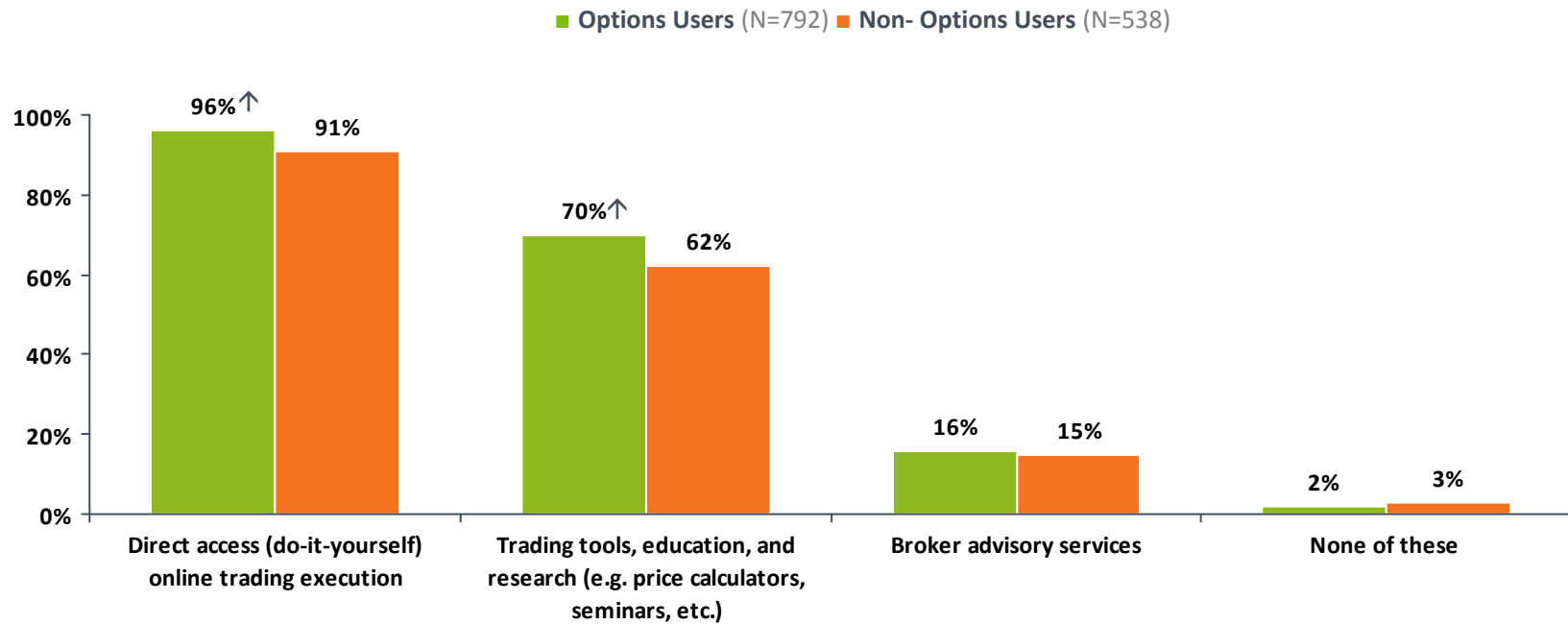
	Options Users			Non-Options Users		
	Options (N=792)	Stocks (N=781)	Bonds (N=200)	Options	Stocks (N=536)	Bonds (N=125)
A full service broker <u>with</u> advisory services to execute your trades	3%	5%	32%	NA	6%	29%
A firm that provided trading tools, education and research to assist you in your trading but did not make recommendations	29%	27%	28%	NA	24%	28%
Do-it-yourself online trading execution	68%	68%	40%	NA	70%	43%

NA = Not Applicable

**BASE: ALL QUALIFIED RESPONDENTS**

**Q840** When you traded the following types of investments within the past year, were you most likely to use...

**Options Users are more likely than Non-Options Users to take advantage of the “do-it-yourself” services offered by the discount brokerages. Again, this reflects the composition of the sample.**



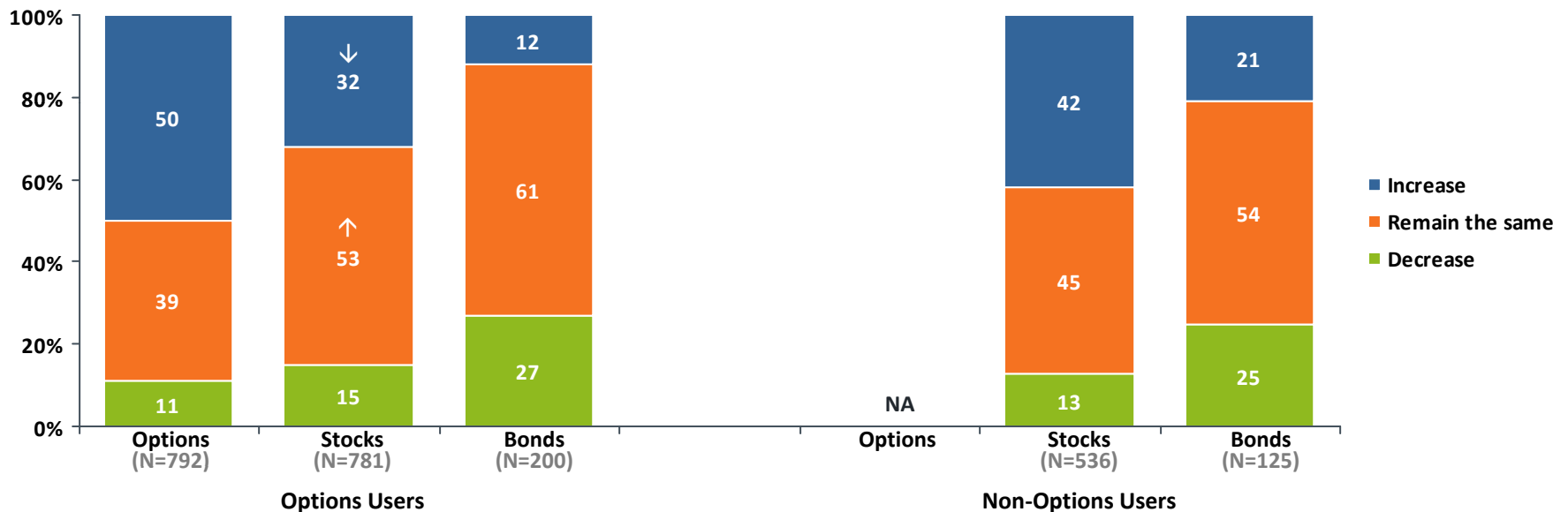
↑/↓ Options Users significantly higher/lower than Non-Options Users

**BASE: ALL QUALIFIED RESPONDENTS**

Q825 What types of investment/brokerage services do you use on a regular basis? Please select all that apply.

## Options Users anticipate increased Options activity relative to other investment opportunities.

- Over the next 12 months, half of the Options Users will increase activity in Options.
- The vast majority of both Options Users and Non-Options Users will maintain or increase stock trading activity in the next 12 months.

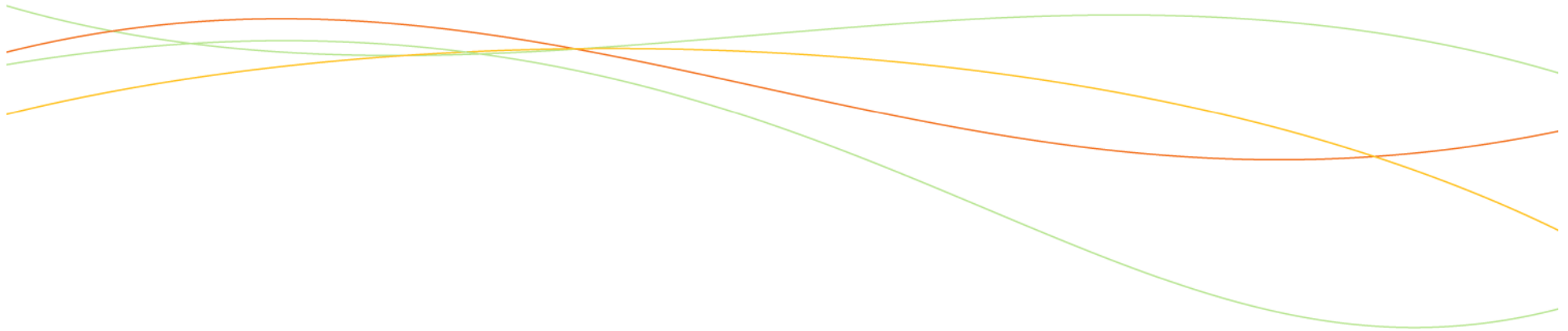


NA = Not Applicable

↑/↓ Options Users significantly higher/lower than Non-Options Users

**BASE: ALL QUALIFIED RESPONDENTS**

Q855 Over the next 12 months, do you think your trading activity in each of the following types of investments will... ?



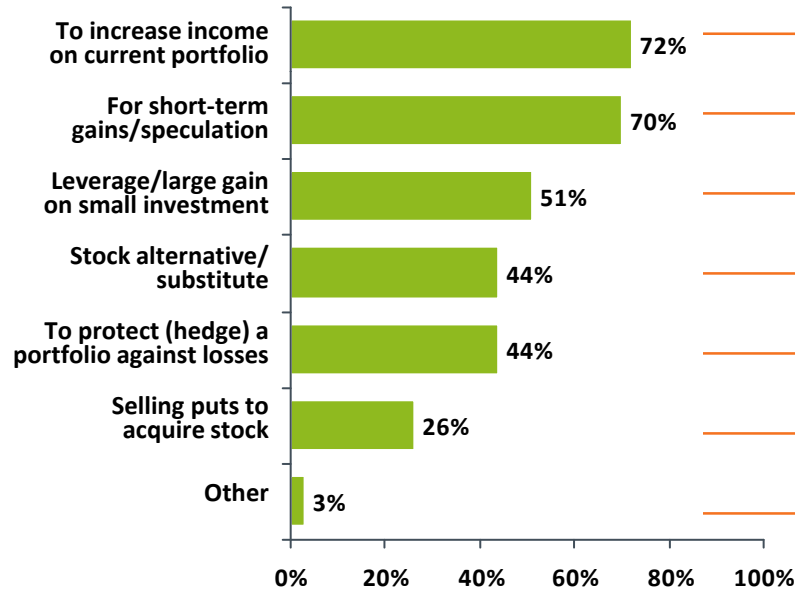
# Reasons for Trading/Not Trading



# Primary reasons Options Users trade Options include increasing income on current portfolio and short-term gains.

Reasons Have Traded Options in the Past 12 Months

(N=792)



Main Reason Have Traded Options in the Past 12 Months

(N=792)



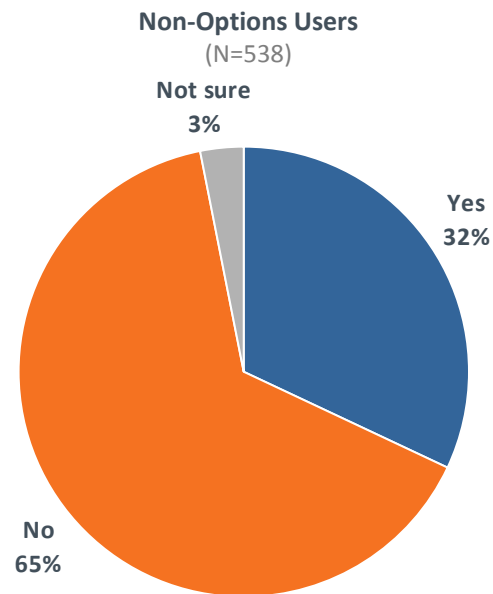
**BASE: OPTIONS USER**

Q940 What are the reasons why you have traded Options in the past 12 months? Please select all that apply.

**BASE: MORE THAN ONE REASON SELECTED**

Q942 What is the main reason why you have traded Options in the past 12 months?

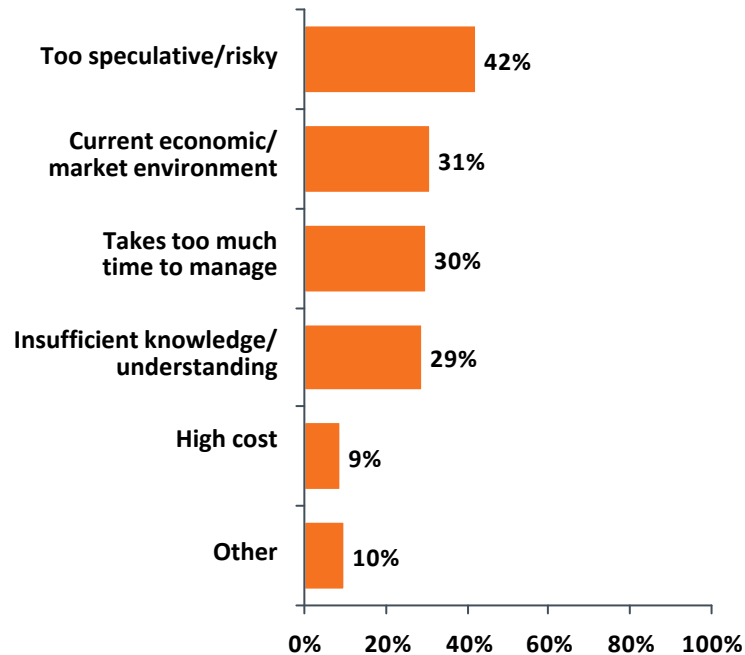
# One-third of Non-Options Users have traded Options in the past.



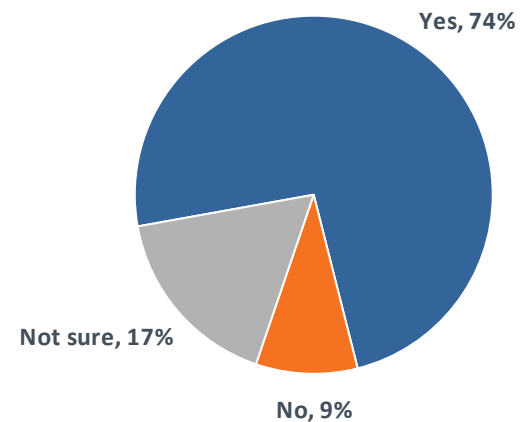
**BASE: NON-OPTIONS USER**  
Q935 Have you ever traded Options?

Options are too risky for many Non-Options Users in the current economic environment. But three-quarters of those who have traded Options in the past would consider it again when the time is right.

Reasons Have Not Traded Options in the Past 12 Months



Would Consider Trading Options Again



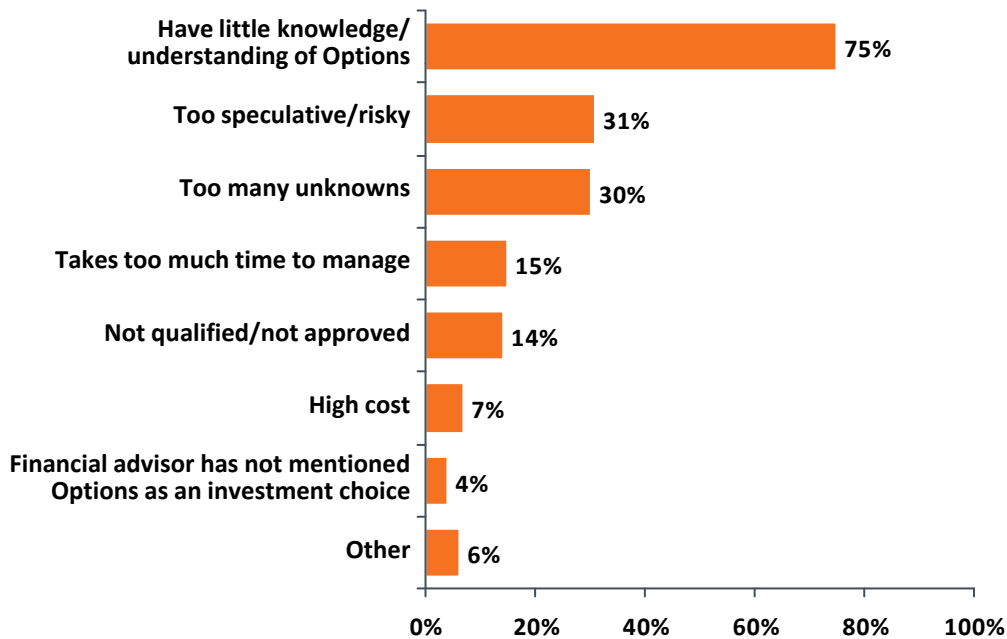
BASE: NON-OPTIONS USER WHO HAVE TRADED OPTIONS BEFORE (N=184)

Q945 What are the reasons you have not traded Options in the past 12 months? Please select all that apply.

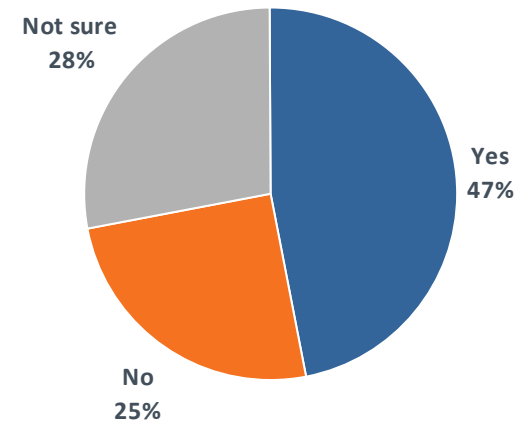
Q950 Would you consider trading Options again?

**Among Non-Options Users who have never traded Options, lack of knowledge is the primary stumbling block. Despite this, almost half express interest for the future.**

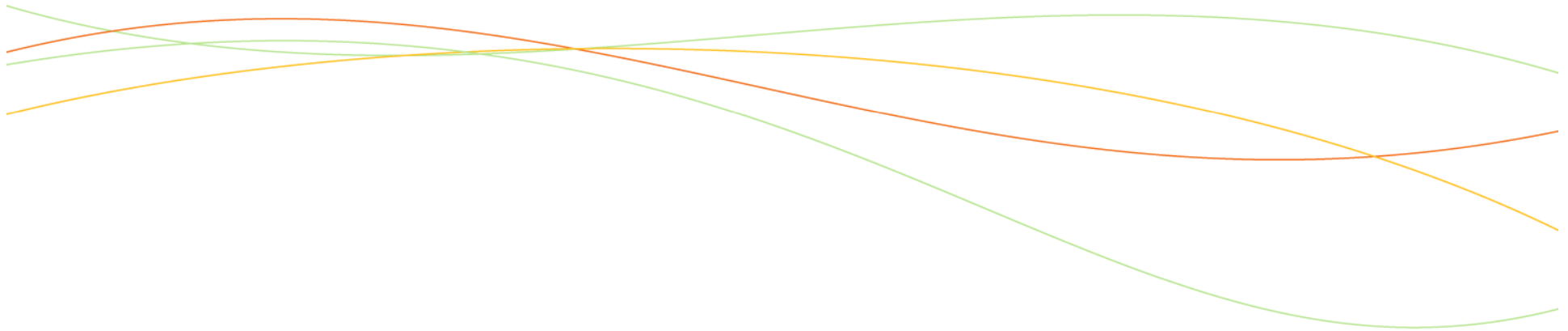
Reasons Have Never Traded Options



Interest in Trading Options in the Future



**BASE: NON-OPTIONS USER WHO HAVE NEVER TRADED OPTIONS BEFORE (N=343)**  
**Q960** What are the reasons why you have never traded Options? Please select all that apply.  
**Q965** Would you be interested in trading Options in the future?



# Investment and Demographic Profile



## Options Users have a more diversified portfolio of investments.

- Stocks, particularly listed stocks, are the most commonly used investment for both Options Users and Non-Options Users.
- However, Options Users currently use Over-the-counter stocks and American depository receipts as well as ETFs and Investment trusts more than Non-Options Users.
- Non-Options Users tend to use Mutual Funds more than Options Users.

	Options Users (N=792)	Non-Options Users (N=538)
<b>Stocks (NET)</b>	<b>93%</b>	<b>93%</b>
Listed stocks (NYSE/AMEX)	88%	89%
Over-the-Counter (OTC) stocks	46%↑	38%
American Depository Receipts (ADRs)	37%↑	23%
<b>Options (NET)</b>	<b>92%</b>	<b>NA</b>
Listed Stock Options	87%	NA
Index Options	40%	NA
LEAPS or Long-term Options	37%	NA
Currency Options	5%	NA
<b>ETFs/Investment Trusts (Net)</b>	<b>69%↑</b>	<b>42%</b>
Exchange-Traded Funds (ETFs)	67%↑	39%
Leveraged ETFs	28%↑	9%
Unit Investment Trusts	8%↑	4%
<b>Mutual Funds (Net)</b>	<b>53%↓</b>	<b>65%</b>
Domestic Stocks	49%↓	57%
Global/International	40%↓	48%
Domestic Bonds	27%	32%
<b>Bonds (NET)</b>	<b>26%</b>	<b>28%</b>
Corporate Bonds	17%	16%
Municipal Bonds	13%	13%
Treasury Bonds	12%	12%
Money Markets	55%	53%
Gold (stocks/funds/coins)	40%↑	26%
Certificates of Deposit	27%	30%
Futures (single stock, indices, commodity)	16%↑	9%
None of these	0%	<0.5%

NA = Not Applicable

↑/↓ Options Users significantly higher/lower than Non-Options Users

**BASE: ALL QUALIFIED RESPONDENTS**

**Q800** Please read the following list of financial investments and select the ones that you currently use. Please select all that apply.

## While Options Users have multiple accounts, they tend to focus their Options trading in a single account.

- On average, Options Users have 3.4 brokerage accounts, more than Non-Options Users at 2.9.
- Options Users use 1.6 different brokerage firms for their Options activities.

	Total Accounts		Options Accounts
	Options Users (N=792)	Non-Options Users (N=538)	Options Users (N=792)
1	12% ↓	24%	59%
2	25%	29%	30%
3	25% ↑	19%	7%
4	17%	13%	2%
5	8%	6%	1%
6	5%	3%	<0.5%
7	3% ↑	1%	0%
8	2%	2%	0%
9	1%	1%	0%
10	2%	3%	<0.5%
Mean	3.4 ↑	2.9	1.6
Median	3	2	1

↑/↓ Options Users significantly higher/lower than Non-Options Users

**BASE: ALL QUALIFIED RESPONDENTS**

Q830 How many brokerage accounts do you have in total across all the different brokerage firms that you use?

**BASE: OPTIONS USER AND MORE THAN 1 BROKERAGE ACCOUNT**

Q835 How many different brokerage firms do you use to trade Options?

## Options Users have been investing for many years, on average 20.

- Options Users have been investing in Listed stocks, Domestic stocks and Money markets for the longest period of time (20+ years).
- Non-Options Users have been investing in Money markets, Domestic stocks and Certificates of deposit for around 18.5 years.

Years Invested (Mean)		Options Users		Non-Options Users
Listed stocks (NYSE/AMEX)	(N=709)	20.7↑	(N=480)	16.8
Mutual funds: domestic stocks	(N=411)	20.5↑	(N=306)	18.4
Money markets	(N=445)	20.0	(N=276)	18.5
Over-The-Counter (OTC) stocks	(N=371)	18.6	(N=212)	16.3
Certificates of deposit	(N=216)	18.4	(N=170)	18.4
Mutual funds: domestic bonds	(N=226)	15.5	(N=169)	14.5
Mutual funds: global/international	(N=336)	15.0	(N=256)	13.9
Municipal bonds	(N=108)	13.7	(N=69)	14.7
Treasury bonds	(N=96)	12.8	(N=65)	16.0
Corporate bonds	(N=136)	12.1	(N=80)	12.1
American Depository Receipts (ADRs)	(N=302)	11.8	(N=126)	10.8
Listed stock options	(N=692)	10.5		NA
Gold (stocks/funds/coins)	(N=315)	10.5	(N=138)	10.4
Futures (single stock, indices, commodity)	(N=117)	8.5	(N=37)**	7.7
Unit investment trusts	(N=59)	8.1	(N=28)**	10.1
LEAPS or Long-term options	(N=294)	7.1		NA
Index options	(N=310)	6.6		NA
Exchange-Traded Funds (ETFs)	(N=532)	4.2↑	(N=215)	3.4
Currency options	(N=41)**	2.6		NA
Leveraged ETFs	(N=224)	2.0	(N=48)**	1.8

\*\* Caution: Small Base

NA = Not Applicable

↑/↓ Options Users significantly higher/lower than Non-Options Users

### BASE: CURRENTLY USE FINANCIAL INVESTMENTS

Q810 Below is a list of the financial investments that you currently use. How long have you been investing in each?

## Options Users proclivity for Options appears to be increasing.

- Among Options Users, Options show the highest likelihood of increasing allocations only behind ETFs and Gold.

	Options Users			Non-Options Users		
	Decreased	Same	Increased	Decreased	Same	Increased
Mutual funds: domestic stocks	(N=405) 43%	45%	12%	(N=298) 35%	50%	16%
Mutual funds: domestic bonds	(N=213) 26%	45%	28%	(N=154) 20%	42%	37%
Mutual funds: global/international	(N=328) 27%	41%	32%	(N=248) 22%	47%	32%
Exchange-Traded Funds (ETFs)	(N=447) 10%	29%	60%	(N=155) 9%	27%	63%
Leveraged ETFs	(N=139) 11%	24%	65%	(N=21)** 3%	20%	77%
Municipal bonds	(N=99) 23%	41%	36%	(N=57) 22%	47%	30%
Listed stocks (NYSE/AMEX)	(N=689) 24%	43%	33%	(N=408) 25%	41%	34%
Over-The-Counter (OTC) stocks	(N=345) 27%	49%	24%	(N=174) 32%	45%	23%
American Depository Receipts (ADRs)	(N=286) 15%	59%	26%	(N=111) 16%	50%	34%
Listed stock options	(N=598) 12%	30%	58%			
Index options	(N=266) 14%	31%	56%			
LEAPS or Long-term options	(N=248) 15%	37%	48%			
Currency options	(N=19)*** 21%	28%	50%			
Certificates of deposit	(N=204) 40%	29%	31%	(N=163) 38%	34%	28%
Futures (single stock, indices, commodity)	(N=85) 30%	32%	38%	(N=24)** 39%	19%	42%
Money markets	(N=437) 29%	48% ↑	23%	(N=268) 34%	37%	29%
Unit investment trusts	(N=53) 31%	39%	29%	(N=23)** 35%	35%	30%
Treasury bonds	(N=87) 28%	47%	25%	(N=57) 24%	42%	33%
Corporate bonds	(N=122) 26%	34%	40%	(N=71) 17%	41%	42%
Gold (stocks/funds/coins)	(N=257) 7%	34%	60%	(N=103) 9%	44%	47%

\*\* Caution: Small Base

\*\*\* Caution: Extremely Small Base

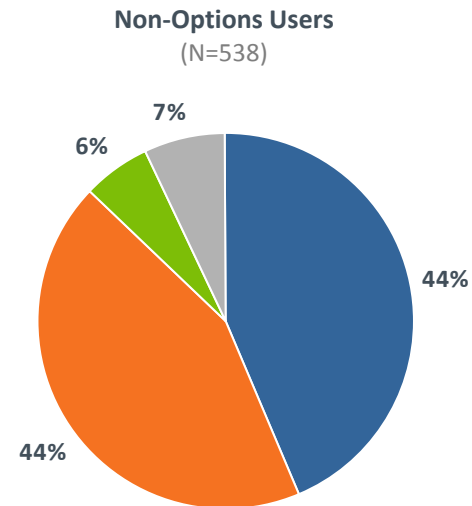
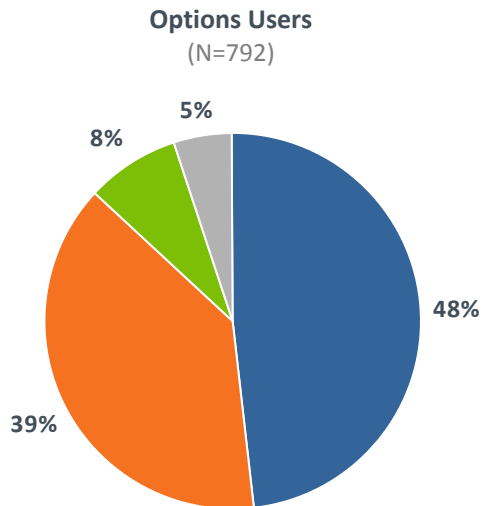
NA = Not Applicable

↑/↓ Options Users significantly higher/lower than Non-Options Users

**BASE: CURRENTLY USE FINANCIAL INVESTMENTS AND HAVE INVESTED FOR TWO OR MORE YEARS**

**Q815** Please review the same list of financial investments again. Compared to two years ago, how have your allocation percentages in each changed? If you invest in something now and did not two years ago, please select "same".

The vast majority of investors (more than 8 out of 10) perceive that their investments have performed as well as or better than others.



- Better than most
- About the same as most
- Worse than most
- Not sure

**BASE: ALL QUALIFIED RESPONDENTS**

Q710 Compared to other investors, how do you think your investments have performed during the past two years?

# Options Users are more affluent and have achieved a higher level of education than Non-Options Users.

	Options Users (N=792)	Non-Options Users (N=538)		Options Users (N=792)	Non-Options Users (N=538)		Options Users (N=792)	Non-Options Users (N=538)
<b>Gender</b>			<b>Marital Status</b>			<b>Occupation</b>		
Male	94% ↑	89%	Never married	17%	20%	Executive or manager in a large company (more than 1,000 employees)	6%	6%
Female	6% ↓	11%	Married or Civil union	67%	63%	Executive or manager in a medium company (between 200 and 1,000 employees)	2%	4%
			Divorced	10%	9%	Executive or manager in a small company (less than 200 employees)	5%	4%
<b>Age</b>			Separated	1%	0%	Business owner	12%	12%
18 – 24	3%	5%	Widow/Widower	2%	4%	Professional (doctor, lawyer, etc.)	17%	17%
25 – 34	10%	13%	Living with Partner	3%	5%	Independent investor	8% ↑	4%
35 – 44	14%	13%				Other	15%	18%
45 – 54	23%	22%	<b>Annual Household Income</b>			Retired	30%	30%
55 – 64	28%	24%	Under \$25,000	3%	4%	Not employed at this time	5%	6%
65 – 74	17%	17%	\$25,000 - \$49,999	8%	11%			
75 or older	5%	6%	\$50,000 - \$99,999	25%	27%	<b>Type of Area</b>		
Mean	53	52	\$100,000 - \$249,999	36%	35%	In a major city	22%	18%
			\$250,000 - \$499,999	8%	6%	In the suburb of a major city	35%	35%
<b>Education</b>			\$500,000 - \$999,999	3%	1%	In the suburb of a mid-sized city	15%	13%
Grade school/attended high school	<0.5%	<0.5%	\$1 million + (Net)	2%	1%	In a mid-sized city	13% ↓	19%
High School/Trade School (Net)	6% ↓	10%	Mean	\$203K ↑	\$154K	In a rural area	14%	16%
Attended College/Associated Degree	13%	16%						
Graduated from four-year college/Postgraduate/Master's/Doctorate	80% ↑	73%	<b>Value of Liquid Assets</b>			<b>Country of Residence</b>		
Other	1%	1%	Under \$25,000	6%	8%	U.S.	96%	96%
			\$25,000 - \$49,999	7%	6%	Non-U.S.	4%	4%
<b>Geography (U.S. Residents Only)</b>			\$50,000 - \$99,999	8%	10%			
East	21%	20%	\$100,000 - \$249,999	18%	17%			
Midwest	19%	23%	\$250,000 - \$499,999	15%	12%			
South	28%	30%	\$500,000 - \$999,999	14%	14%			
West	32%	27%	\$1 million + (Net)	17%	15%			
Non-U.S. State	<0.5%	<0.5%	Mean	\$643K	\$580K			
			<b>Own Home</b>					
			Yes	82%	78%			
			No	18%	22%			

↑/↓ Options Users significantly higher/lower than Non-Options Users

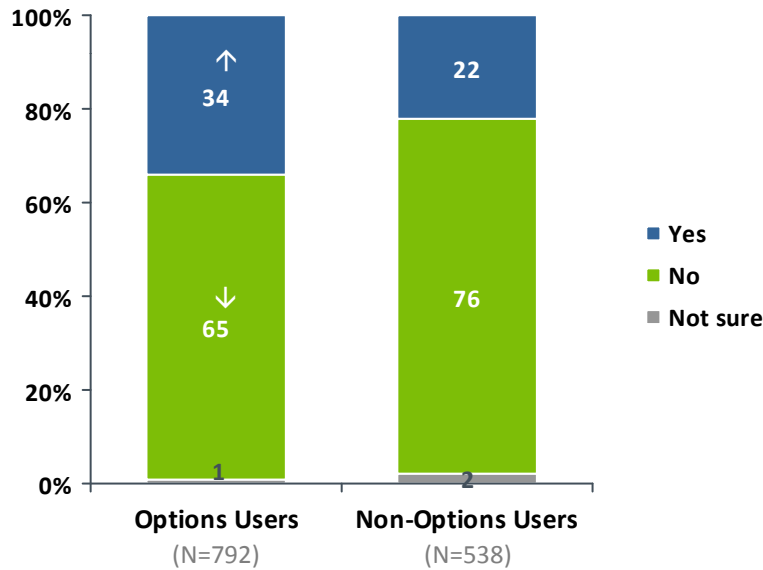


## Confidence in Discount Brokerage Firm and Brokers' Knowledge

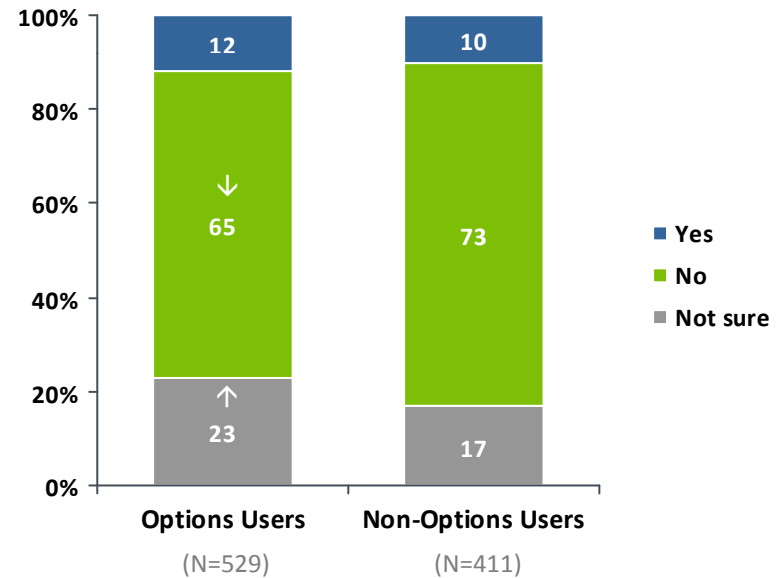
# The majority of Options Users and Non-Options Users are unlikely to move their accounts in the next year.

- Options Users show greater past and potential movement than their Non-Options Users counterparts.

**Changed Brokers/Brokerage Firms During the Past Two Years**



**Consider Changing Brokers/Brokerage Firms in the Next 12 Months**



↑/↓ Options Users significantly higher/lower than Non-Options Users

**BASE: ALL QUALIFIED RESPONDENTS**

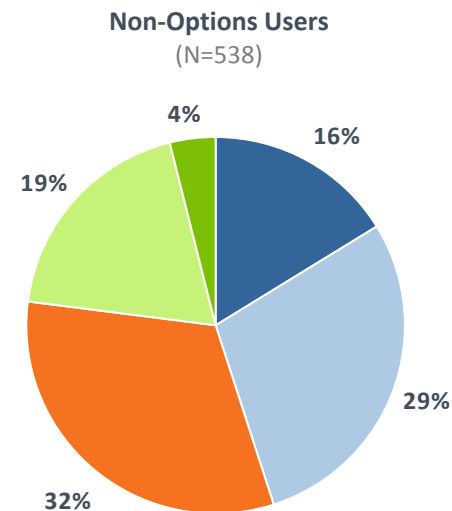
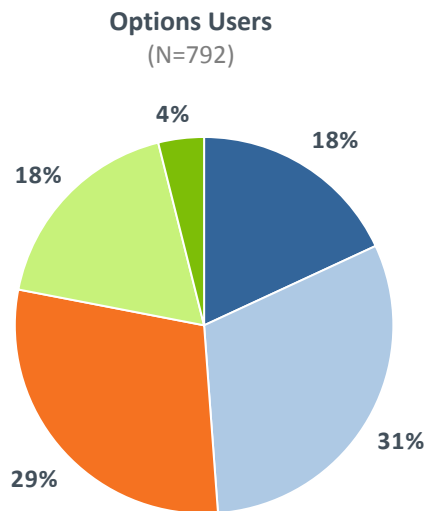
Q720 Have you changed brokers or brokerage firms during the past two years?

**BASE: HAVE NOT CHANGED BROKERS OR BROKERAGE FIRMS**

Q725 Do you think you will consider changing brokers or brokerage firms in the next 12 months?

## Both Options Users and Non-Options Users have confidence in their primary brokerage firms.

- 49% of Options Users and 45% of Non-Options Users are extremely/very confident in their primary brokerage firms' ability to meet investment needs.

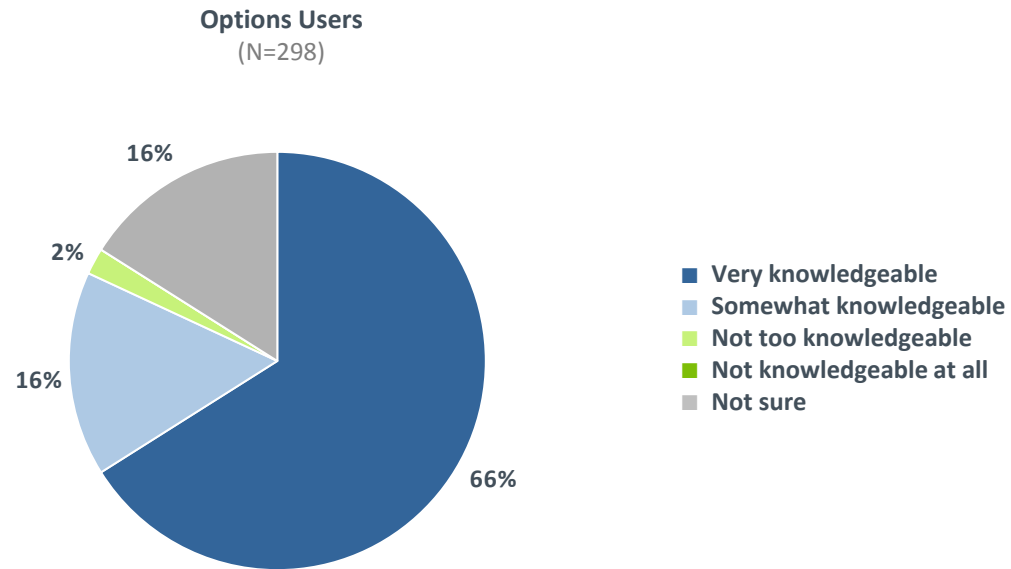


■ Extremely confident  
■ Very confident  
■ Confident  
■ Somewhat confident  
■ Not at all confident

**BASE: ALL QUALIFIED RESPONDENTS**

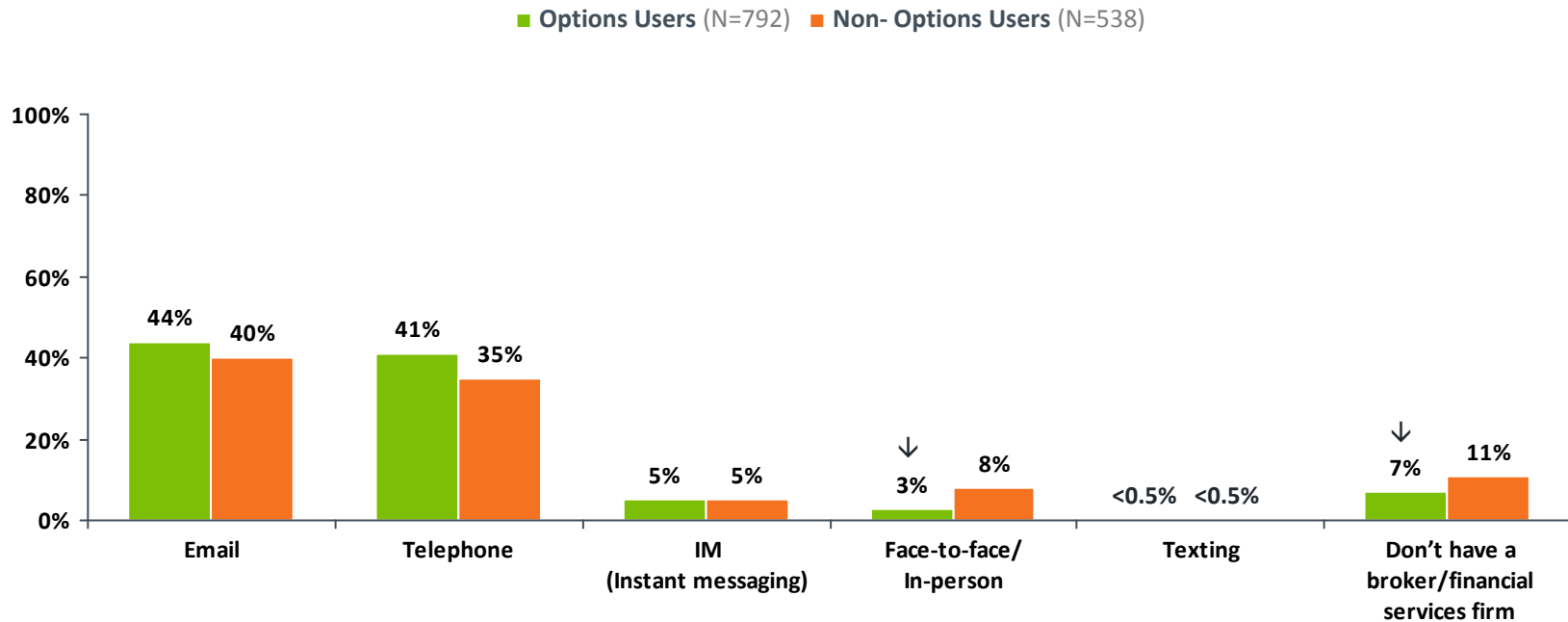
Q715 How confident are you about the ability of your primary brokerage firm to meet your investing needs over the next 12 months?

**82% of Options Users who use brokers for advice, consider them to be very or somewhat knowledgeable.**



**BASE: OPTIONS USER AND HAS A BROKER/FINANCIAL SERVICES FIRM AND BROKER IS SOURCE OF INFORMATION**  
Q930 How knowledgeable is your broker/financial services firm about Options?

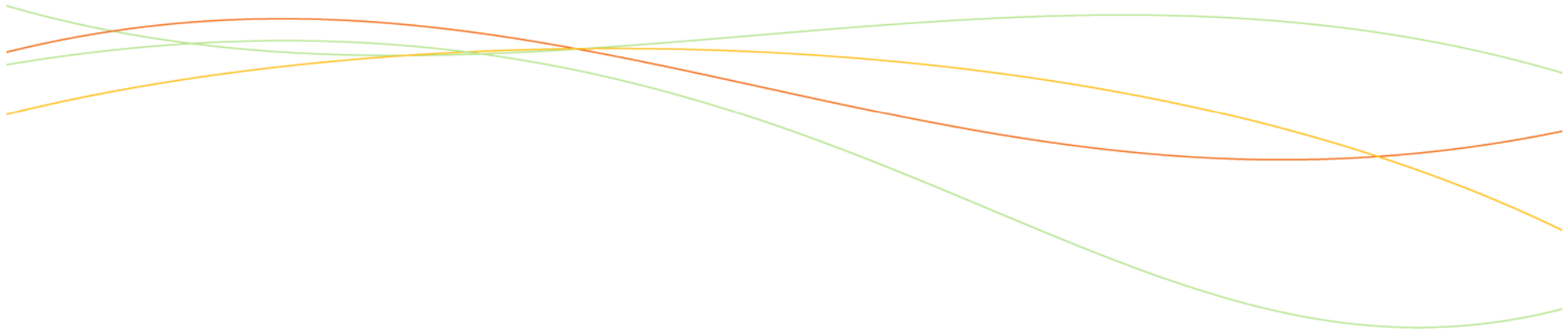
Similar for both Options Users and Non-Options Users, the preferred method of communication with broker/financial services firm is via e-mail and telephone.



↑/↓ Options Users significantly higher/lower than Non-Options Users

**BASE: ALL QUALIFIED RESPONDENTS**

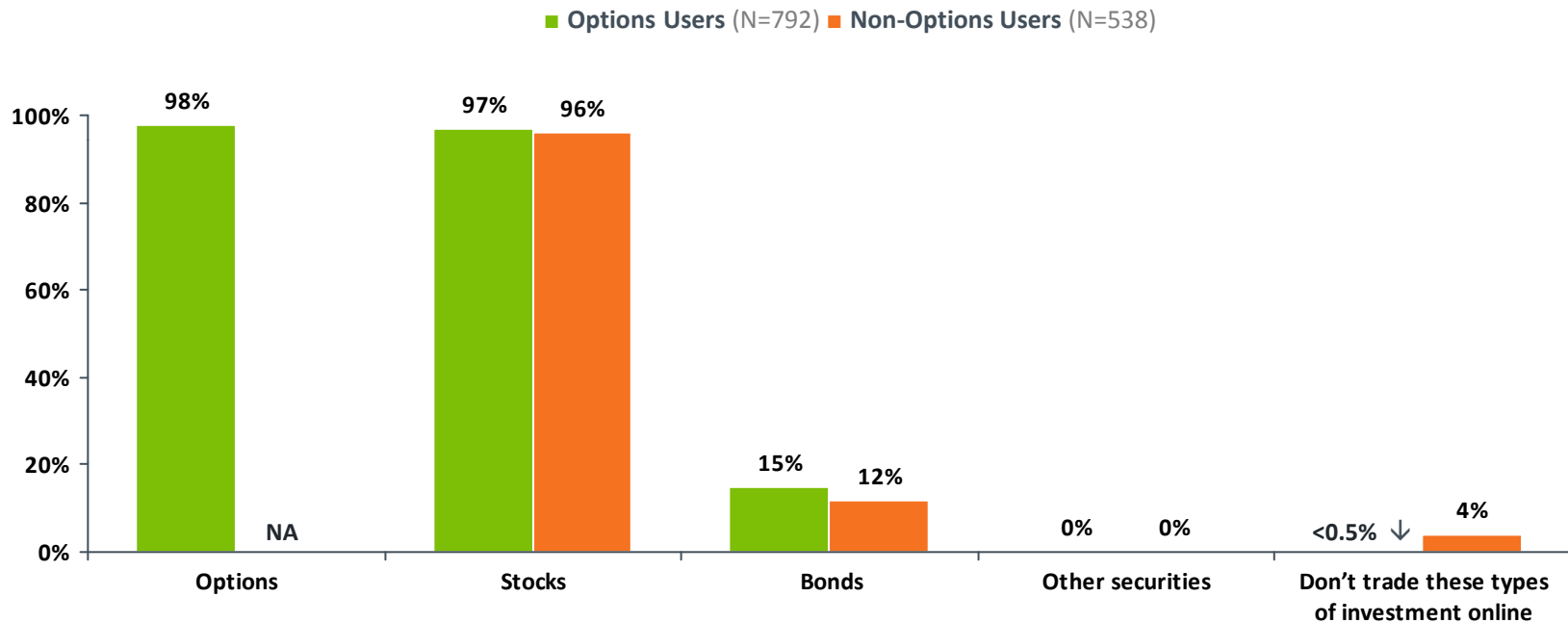
Q925 In general, what is your preferred method of communication with your broker/financial services firm?



# Online Activity



Not surprisingly because respondents have accounts at discount brokerages, almost all Options Users and Non-Options Users trade stocks online.



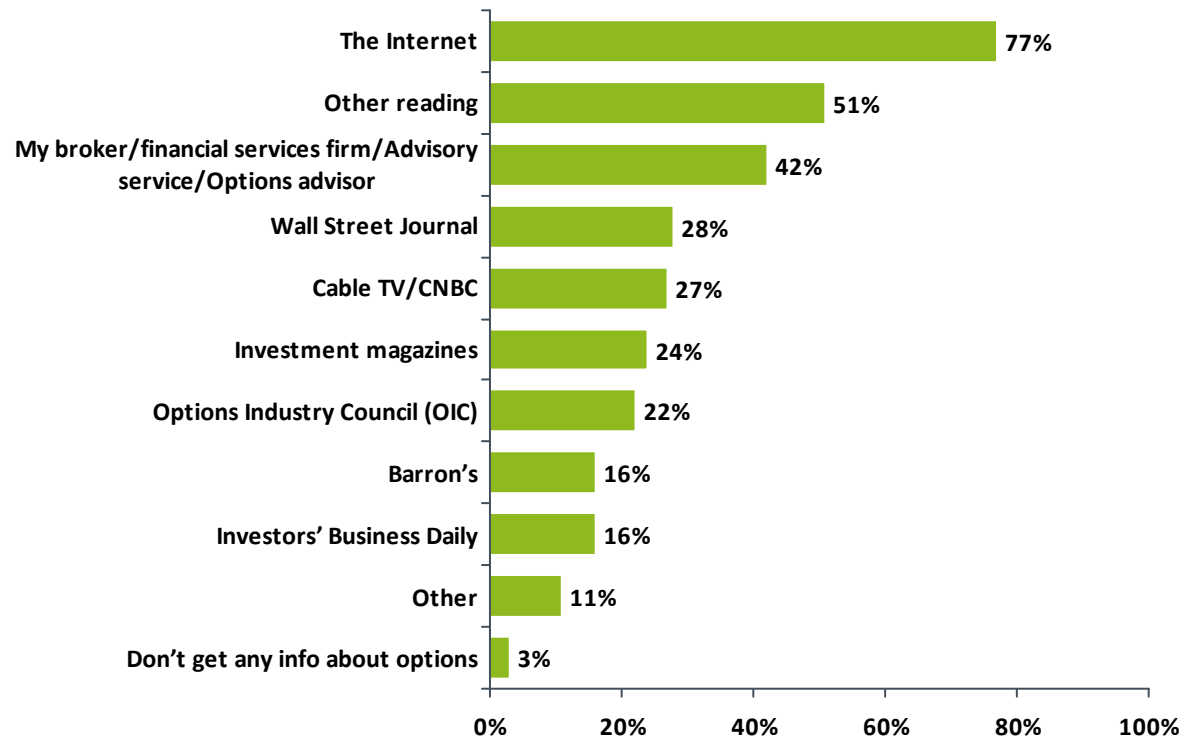
NA = Not Applicable

↑/↓ Options Users significantly higher/lower than Non-Options Users

**BASE: ALL QUALIFIED RESPONDENTS**

Q820 Do you trade any of the following types of investments online? A "trade" would mean either a purchase or a sale. Please select all that apply.

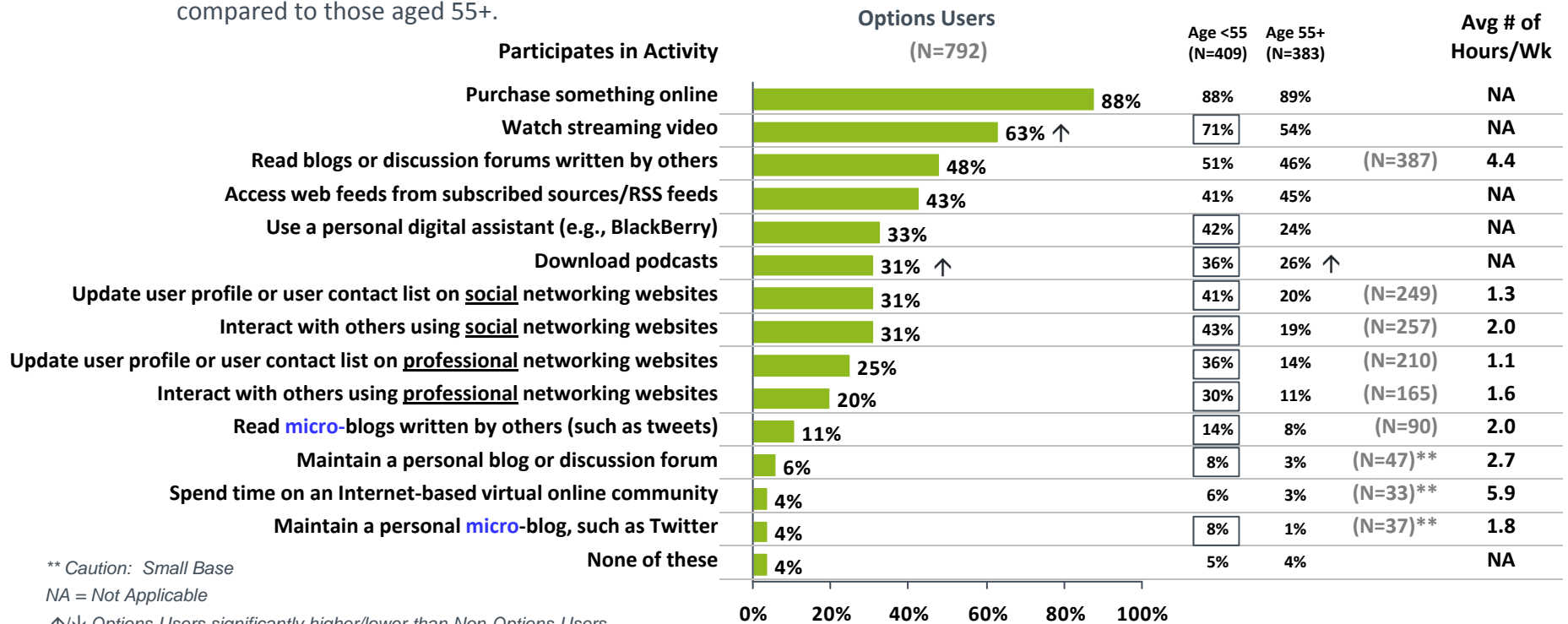
# For 77% of Options Users, the Internet is a key source for Options information.



**BASE: VERY OR SOMEWHAT KNOWLEDGEABLE ABOUT OPTIONS (N=765)**  
Q910 Where do you get your information about Options? Please select all that apply.

## Both Options Users and Non-Options Users, particularly those <55 years of age, participate in a wide range of online activities.

- Purchasing something online is the most frequent activity mentioned followed by watching streaming videos. This is true for both Options Users and Non-Options Users.
  - Younger Options Users and Non-Options Users are significantly more likely to participate in most online activities compared to those aged 55+.



\*\* Caution: Small Base

NA = Not Applicable

↑/↓ Options Users significantly higher/lower than Non-Options Users

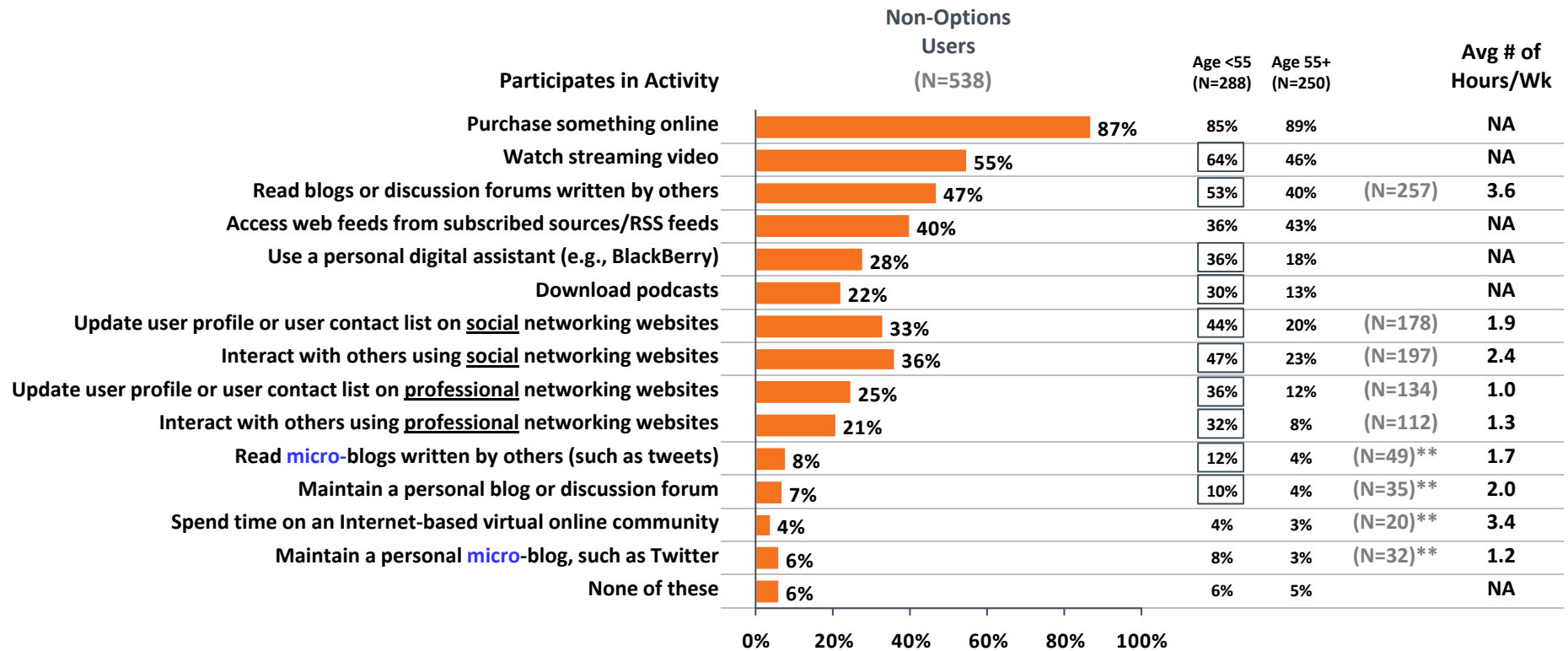
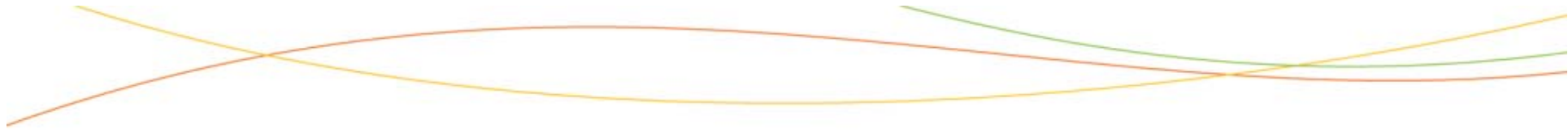
□ Age <55 significantly higher than Age 55+

### BASE: ALL QUALIFIED RESPONDENTS

Q1045 Please indicate if you participate in any of the following online activities? Please select all that apply.

### BASE: PARTICIPATES IN SELECTED ONLINE ACTIVITIES

Q1050 Approximately how many hours do you spend doing each of the following online activities per week?



Age <55 significantly higher than Age 55+

**BASE: ALL QUALIFIED RESPONDENTS**

Q1045 Please indicate if you participate in any of the following online activities? Please select all that apply.

**BASE: PARTICIPATES IN SELECTED ONLINE ACTIVITIES**

Q1050 Approximately how many hours do you spend doing each of the following online activities per week?