



NEWS RELEASE

Ameriprise Study Reveals Vast Majority of Investors Who Have Experienced a Major Financial Setback Have Overcome It

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Setbacks like market losses, job displacement and divorce often cost investors \$50,000-\$100,000

Almost all investors surveyed have faced major obstacles but time (typically one to five years) and careful planning has led to a rebuilt security

MINNEAPOLIS--(BUSINESS WIRE)-- As many Americans find themselves evaluating their financial picture as a result of COVID-19, the road to recovery may seem daunting – or even impossible. However, the way investors have dealt with financial challenges in the past may shed light on how investors may be able to handle the financial repercussions of COVID-19. A new study by Ameriprise Financial (NYSE: AMP) found that nearly three-quarters of people have experienced at least one major financial setback – often costing more than \$50,000, and in some cases more than \$100,000. But those investors have also staged a comeback and managed to put their finances back in order.

This press release features multimedia. View the full release here:

<https://www.businesswire.com/news/home/20200610005208/en/>

The Financial Comebacks study from Ameriprise found that most investors have experienced at least one major financial setback, but have also staged a

What obstacles did they face and how did they overcome them? Those were key questions Ameriprise set out to explore in its newly released Financial Comebacks study. The study, which surveyed more than 3,000 U.S. investors ages 30-70 with at least \$100,000 in investable assets in January 2020,

comeback. (Graphic: Business Wire) identified unexpected life events that took a major financial toll on investors' finances – and uncovered how 89% of respondents who experienced a setback bounced back or are on the path to recovery.

Survey participants said the number one financial setback they experienced historically was market losses (26%). Other financial hurdles they most often cited included earning less money than expected (23%), job loss (20%), supporting family members financially (17%), bad financial decisions (16%), divorce (12%) and illness (12%). More than half (52%) of respondents said their setback cost them \$50,000 or more – of these investors a third (34%) said it cost \$100,000 or more.

“Unfortunately, as we’ve seen in recent months, everyone – regardless of their income or assets – is susceptible to financial setbacks,” said Marcy Keckler, Vice President of Financial Advice Strategy at Ameriprise. “Though it’s hard to predict exactly when and how an event will impact your finances, we can anticipate that there will be ups and downs along the road to financial security. As investors grapple with the impact of the current crisis and look for ways to get their finances back on track, we can learn useful lessons from people who’ve previously experienced financial setbacks, and eventually made a comeback.”

Road to recovery

Regardless of the event, one thing about bouncing back was consistent – it took time. Nearly two-thirds (64%) of investors said it took them one to five years to get their finances back on track, while some respondents (19%) said it took six to ten years, and 8% said it took more than 10 years. Only 9% of respondents said it took less than one year to make a comeback.

In addition to time, the study revealed investors took deliberate actions to make a comeback. The most common steps they took included adjusting their spending habits (50%), followed by changing their saving behavior (37%), working more or longer (26%), and using their emergency savings (24%).

When it comes to planning for their future, setting aside emergency savings was the number one way respondents said they were preparing for the unforeseen. In fact, as of January, almost all who’d previously experienced a financial setback (97%) had created an emergency savings fund and the majority (64%) said their cash reserve could cover six months or more of expenses. Further, four in 10 respondents said they had \$50,000 or more stashed away for an unexpected event.

Silver lining

Though investors most commonly said they felt “stressed” (39%) during their financial setback, 56% of investors said

they now feel stronger as a result of having experienced a financial setback. Nearly nine in ten (89%) respondents have made at least a partial comeback and about two in ten (21%) say they were doing better money-wise at the time of the survey compared to how they were doing before their setback.

“We’re halfway into the year and have seen millions of people’s finances upended overnight,” said Keckler. “No one knows what lies ahead, but it’s important for investors to stay calm and focused on their financial goals. With time and patience, they may be able to bounce back from financial hardships. Also, meeting with a financial advisor may help investors navigate the current climate and prepare for whatever the future may bring.”

For more information about the study, please visit www.ameriprise.com/comebacks.

About the survey

The Financial Comebacks study was created by Ameriprise Financial, Inc. and conducted online by Artemis Strategy Group January 2-20, 2020 among 3,042 Americans ages 30–70 with \$100,000 or more in investable assets. For further information and details about the study, including verification of data that may not be published as part of this report, please contact Ameriprise Financial or go to www.ameriprise.com/comebacks.

About Artemis Strategy Group

Artemis Strategy Group (www.Artemisssg.com) is a communications strategy research firm specializing in brand positioning, thought leadership and policy issues.

About Ameriprise Financial

At Ameriprise Financial, we have been helping people feel confident about their financial future for more than 125 years. With extensive advisory, asset management and insurance capabilities and a nationwide network of approximately 10,000 financial advisors, we have the strength and expertise to serve the full range of individual and institutional investors' financial needs. For more information, or to find an Ameriprise financial advisor, visit ameriprise.com.

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