

# Merrill Edge and Merrill Edge Report

## Merrill Edge® Offers Consumers Access to Capabilities From Bank of America and Merrill Lynch

### Fall 2018 Merrill Edge Report

Merrill Edge is a streamlined investment service that provides access to the investment insights of Merrill Lynch and the convenience of Bank of America banking.

With Merrill Edge you can:

- Simplify investment selection – Choose investments using streamlined lists of stocks, ETFs and mutual funds evaluated by Merrill Lynch research and analytics teams.<sup>1</sup>
- Get simple step-by-step directions on how to build a retirement portfolio that can help you get on track and stay on track.
- Validate your investment strategies with easy-to-use tools, actionable insights and one-on-one guidance
- Work with a Merrill Edge Financial Solutions Advisor™ to set your goals and determine how to pursue them.
- Receive simple flat-rate pricing – \$6.95 per online equity and ETF trade\*

\*Other fees may apply. Sell trades are subject to a transactional fee of between \$0.01 and \$0.03 per \$1,000 of principal. There are costs associated with owning ETFs. To learn more about Merrill Edge pricing, visit [merrilledge.com/pricing](https://merrilledge.com/pricing).

<sup>1</sup>Research provided by BofA Merrill Lynch Global Research.

Certain banking and brokerage accounts may be ineligible for real-time money movement, including but not limited to transfers to/from bank IRAs (CD, money market), 529s, SafeBalance Banking®, credit cards and transfers from IRAs, loans (HELOC, LOC, mortgage) and accounts held in the military bank. Accounts eligible for real-time transfers will be displayed online in the “To/From” dropdown menu on the transfer screen.

## **Key findings from the fall 2018 Merrill Edge Report**

On November 30, 2018, Bank of America released the [fall 2018 Merrill Edge Report](#), a biannual study that offers an in-depth look at the financial concerns, priorities and behaviors of mass affluent Americans. Findings include:

### **Americans prioritize money over love in their relationships**

*Is this the new happily ever after?*

The latest Merrill Edge Report data revealed the majority (56 percent) of Americans say they prefer a partner who provides financial security more than “head over heels” love (44 percent). This sentiment is nearly as likely for men as it is for women (54 percent, compared to 57 percent).

Today’s youngest generation, Gen Z, is the only generation to choose love (54 percent) over money (47 percent), whereas millennials (55 percent), Gen Xers (59 percent) and baby boomers (56 percent) all prioritize a partner who will fund the life they want to live over someone who will never stop giving them “butterflies.”

Americans also prefer a significant other who is career-focused (63 percent) over socially conscious (37 percent); frugal (55 percent) more than philanthropic (45 percent); and a saver (83 percent) rather than a spender (17 percent).

### **Avoiding the “money talk” at all costs**

*Americans are tight-lipped when discussing their own finances*

As people look to their partners to secure their financial futures, their lips are sealed when it comes to discussing their own finances. In fact, Americans rank nearly all major relationship milestones ahead of discussing their salary, including meeting the family, being intimate, traveling together, and talking politics.

Many are even postponing the “money talk” altogether, with the majority admitting they rarely talk about their own debt (60 percent), salary (57 percent), investments (55 percent), and spending habits (51 percent) with their significant others. Respondents are even more comfortable discussing family drama, marriage, and careers over finances.

And although they might not admit it to each other, the overwhelming majority (83 percent) of Americans say their significant other impacts their spending habits.

### **Saving to save, with no end in sight**

*Americans are saving at record rates, but lack clear action plans for short- and long-term goals*

This never-ending quest for financial security appears to be driving Americans to save like never before. Many report they are willing to stash away the most each year on their savings and investments – an average of \$18,000 – more than they spend on rent and mortgage payments (\$16,000), their children’s education (\$12,000), travel (\$8,000), student debt (\$6,000), or dining out (\$5,000).

But it’s increasingly clear saving does not mean planning. The majority say they have no monetary goal in mind when it comes to

many major life milestones, including having a baby (67 percent), getting married (64 percent), sending children to college (54 percent), and putting a down payment on a house (50 percent).

Even when it comes to retirement, half have no “magic number,” or monetary goals in mind, and those who do are aiming low, with 79 percent saying they need less than \$1 million. Americans also think their planned retirement age will change 15 times over the course of their lives.

This perpetual lack of planning even seems to extend well after they are gone. Ninety-three percent agree that it is important to create a will, yet only 42 percent currently have one.

### **Emerging tech set to fill the planning gap**

*Americans embrace new tech, AI in their financial lives*

New technologies may be the solution to planning shortfalls, as Americans increasingly embrace artificial intelligence (AI) in their personal, professional and financial lives. Nearly half of Americans across all generations, and an overwhelming number of Gen Zers report they are already comfortable with AI providing financial guidance (49 percent, compared to 72 percent Gen Z), managing day-to-day finances (49 percent, compared to 67 percent Gen Z), and making investments (47 percent, compared to 59 percent Gen Z).

As Americans’ reliance on tech continues to grow, so does social media’s overwhelming influence. Many admit their social newsfeeds impact their finances, including their spending habits (48 percent), savings (42 percent) and bank accounts (40 percent), nearly as much as their mood (62 percent), friendships (61 percent), and beliefs (49 percent).

### **Merrill Edge Report Methodology**

<sup>1</sup> Convergys (an independent market research company) conducted a nationally representative, panel-sample online survey on behalf of Merrill Edge Sept. 27-Oct. 13, 2018. The survey consisted of 1,034 mass affluent respondents throughout the U.S. Respondents in the study were defined as aged 18 to 40 (Gen Z/Millennials) with investable assets between \$50,000 and \$250,000 or those aged 18 to 40 who have investable assets between \$20,000 and \$50,000 with an annual income of at least \$50,000; or aged 41-plus with investable assets between \$50,000 and \$250,000. For this purpose, investable assets consist of the value of all cash, savings, mutual funds, CDs, IRAs, stocks, bonds and all other types of investments such as a 401(k), 403(B), and Roth IRA, but excluding primary home and other real estate investments. We conducted an oversampling of 300 mass affluents in Atlanta. The margin of error is +/- 3.1 percent for the national sample and about +/- 5.6 percent for the oversample market, reported at a 95 percent confidence level.

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## **News Releases and Additional Information**

### **Press Releases**

- Nov. 30, 2018 — [Romance or Finance: What Matters Most?](#)
- June 7, 2018 — [Can You Be Financially Independent When the Foundation of Your Plan Relies on Others?](#)
- Dec. 1, 2017 — [A Decade of Recession Lessons Motivates Today's Youngest Generations](#)
- May 19, 2017 — [Millennials Outperform Everyone in Saving, but It's Not for What You'd Think](#)
- Dec. 2, 2016 — [The New Retirement: Not Retiring](#)

### **Research Materials**

- Nov. 2018 — [Merrill Edge Report](#)
- Nov. 2018 — [Merrill Edge Report Infographic](#)
- June 2018 — [Merrill Edge Report](#)
- June 2018 — [Merrill Edge Report Infographic](#)
- Dec. 2017 — [Merrill Edge Report](#)
- Dec. 2017 — [Merrill Edge Report Infographic](#)
- Dec. 2017 — [Merrill Edge Report Video](#)
- May 2017 — [Merrill Edge Report](#)
- May 2017 — [Merrill Edge Report Infographics](#)
- Dec. 2016 — [Merrill Edge Report](#)
- Dec. 2016 — [Merrill Edge Report Infographics](#)

### **Executive Biographies**

- [Dean Athanasia](#), president of Preferred and Small Business
- [Aron Levine](#), managing director and head of Consumer Banking and Merrill Edge, Bank of America

### **For More Information**

For more information about Merrill Edge and the Merrill Edge Report, please contact [Susan Atran](#), Bank of America, 1.646.743.0791.

