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Market volatility is a key worry for investors, but the devil is in the detail

- There are differences in attitudes to investing across varying demographics, with evidence suggesting that women tend to give greater importance to potential losses than gains
- One way to help worried investors achieve greater composure in volatile markets is to consider a smoothed investing journey

New research from M&G has highlighted differences in the way men and women surveyed* approach investing. With women creating and controlling greater proportions of UK wealth than has been the case in previous generations, it's more important than ever to build a wider and deeper understanding of these differing attitudes to investing.

The study reveals women are more concerned about losing money than men, with 61% fearing a financial crash compared to 46% of men¹, and 68% worrying about market volatility versus 54% of men¹. Interestingly, these worries peak around 35 years old for women – an age where we would typically see investors starting to seek financial advice.

Investing: Women are more likely to take a cautious approach

The findings, from [M&G's The Untapped Potential of Women's Wealth Report](#), suggest that financial advice plays a critical role in giving investors the confidence to take higher levels of investing risk. When asked where they invested their finances over the last five years, the most popular response for non-advised women was cash (35%) followed by equities (28%). For advised women, however, the most popular asset was equities, nearly doubling to 49%. More men, both advised and non-advised, seek equities as the most popular asset class.

The data also highlights that while advice improves the willingness to take risk, it does not alleviate worry. Women, irrespective of whether they are advised or non-advised, pay greater attention than men to what could go wrong in investing. Two thirds (65%) of advised women are worried about a financial crash, compared to half (51%) of advised men. When asked for a 12-month view on equities, 48% of men expected stock prices to rise, compared to 39% of women², while 30% of women expected prices to fall³, compared to 23% of men.

The appeal of composure in volatile times

M&G's research into gender differences towards investing suggests that women may be attracted to investments that aim to reduce the impact of market volatility, and further research** suggests that men are more likely to chase losses. These findings indicate that both men and women could benefit from a fund that dampens volatility but M&G's data suggests that women (67%) are more likely than men⁴ (62%) to invest in smoothed funds.



Financial advice again plays a key role as the interest in smoothed funds increases to 82% for advised women and 79% for advised men⁴. This underlines the role that financial advisers play in explaining the benefits of the smoothed fund category, whether that is, for example, in reducing the overall volatility of a blended portfolio, or as a decumulation option that mitigates the sequencing risk of selling units at market lows when taking an income.

The study also reveals that access to private assets, such as infrastructure, real estate and private companies, often the reserve of institutional investors, is something that UK investors want. The majority of both advised women (81%) and advised men (77%) would consider investing⁵ in an easy-to-access fund that includes private assets.

Kirsty Wright, Director of PruFund Proposition, M&G, commented: "Our research reveals fascinating insights into investing behaviours. Initially, some women may question the benefits that advice can bring and want to better understand the need to include risk assets in their portfolios. However, once they've developed their understanding, they become successful, long-term, composed and risk-focused investors.

"Tailoring the investment experience to respond to a wider range of perspectives and greater concerns around volatility and losses can present new opportunities for advisers to engage with clients. While it may not change the long-term outcome that advisers work to achieve, it could have consequences for the investing experience that a wider client base of investors want to have in reaching their goals.

"Addressing market volatility concerns is essential to ensuring customers feel confident in achieving their financial goals. Recent market turbulence, as a result of US trade policy, demonstrates this more than ever and signals how the wealth industry can continue to evolve its approach."

Adviser takeaways from the research:

- A greater understanding of differences in attitudes towards investing can present new opportunities to engage with more female clients.
- Consider some client's greater potential concerns around loss and volatility in discussions about appetite for risk and how these can be addressed.
- Discuss the whole investing journey as well as the outcome to provide ongoing peace of mind – the research suggests this would benefit a wider customer base.
- How smoothed multi-asset investment solutions can provide an attractive outcome whilst reducing volatility and the size of drawdowns.

-ENDS-

Media enquiries:

Charlotte Pascal

Charlotte.pascal@mandg.com

+44 (0)7388 718608.



For the full report, please click [here](#)

Notes to Editors:

*The research quoted in this press release resulted from a survey of 1,002 people conducted by Censuswide on behalf of M&G Wealth, which surveyed the following groups between the 31st January and the 11th February 2025:

- Around 250 non-advised men, aged 26 and over, with £150,000 or more in investable assets or who expect to receive an inheritance of £300,000 or more.
- Around 250 non-advised women, aged 26 and over, £150,000 or more in investable assets or who expect to receive an inheritance of £300,000 or more.
- Around 250 advised men, aged 26 or over, £150,000 or more investable assets or who expect to receive an inheritance of £300,000 or more.
- Around 250 advised women, aged 26 or over, £150,000 or more investable assets or who expect to receive an inheritance of £300,000 or more.

Censuswide abides by and employs members of the Market Research Society and follows the MRS code of conduct and ESOMAR principles. Censuswide is also a member of the British Polling Council.

** Barber and Odean's study of 35,000 retail brokerage accounts in 'Boys will be boys: gender, overconfidence and common stock investment' (The Quarterly Journal of Economics) revealed that men trade 45% more than women as result of overconfidence and that this trading reduced men's net returns by 2.65% annually as opposed to only 1.72% for women.

¹ 'Worries me a lot' and 'Worries me somewhat' answers combined

² All 'Rise' answers combined

³ All 'Fall' answers combined

⁴ 'Very likely' and 'Somewhat likely' answers combined

⁵ 'Strongly agree' and 'Somewhat agree' answers combined

About M&G plc

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