Understanding UK savers

A survey of UK household attitudes to saving and investing

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J.P.Morgan
ASSET MANAGEMENT

Methodology

J.P. Morgan Asset Management commissioned a survey to understand the savings behaviour of the UK population. In partnership with Opinium, we surveyed a sample of 2,000 adults aged 18 to 65. Fieldwork was conducted from 22 April to 1 May 2025.

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Households are saving more these days, but there is a clear problem preventing these savings from becoming investments.

Karen Ward
Chief Market Strategist for EMEA

Key headlines

Confidence about saving and investing is low

Only a small share of the UK population feel confident about saving and investing for retirement.

Risk aversion is driving an overallocation to cash

More respondents expect cash to deliver better long-term returns than stocks.

Reliance on property is too high

Respondents are extremely optimistic about house price growth over the next 25 years.

People are thinking about retirement too late

Almost a quarter of those aged 18-34 have no plans to think about retirement.

Individuals aren’t being adequately equipped to make good financial decisions

Respondents most commonly turn to friends and family for financial advice about retirement.

Expectations of the state are high

There are high expectations for what the state will provide, particularly in higher income and younger cohorts.

Confidence about long-term saving and investing

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It is disheartening to see so few individuals are confident about the standard of living they will have in retirement, with those nearest retirement age the least confident.

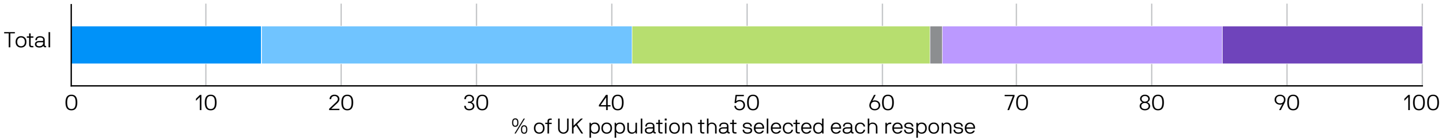
Karen Ward
Chief Market Strategist for EMEA

Only a small share of the UK population feel confident about saving and investing for retirement

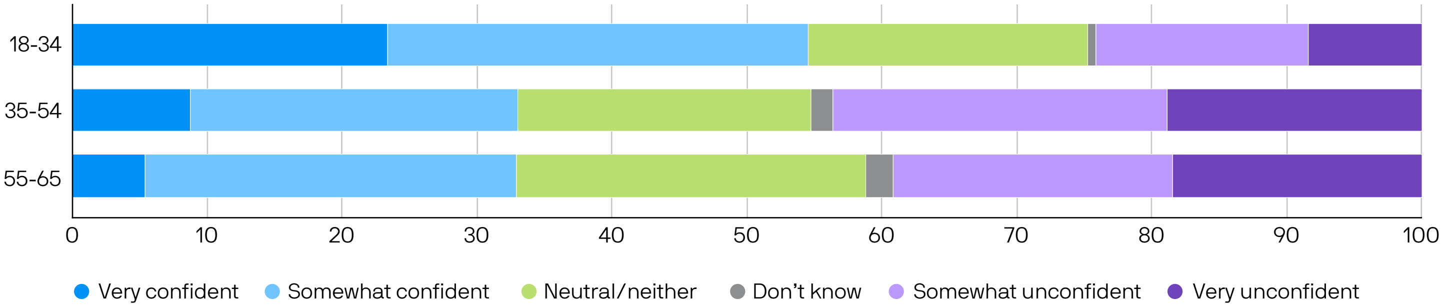
Only 41% of respondents are confident about the standard of living they will have in retirement, of which only 14% are 'very confident'.

Confidence is lower among older cohorts, perhaps reflecting the realities faced when nearing retirement.

Q: How confident, if at all, are you of the following? That you will have the standard of living you would like in retirement.



By age group:

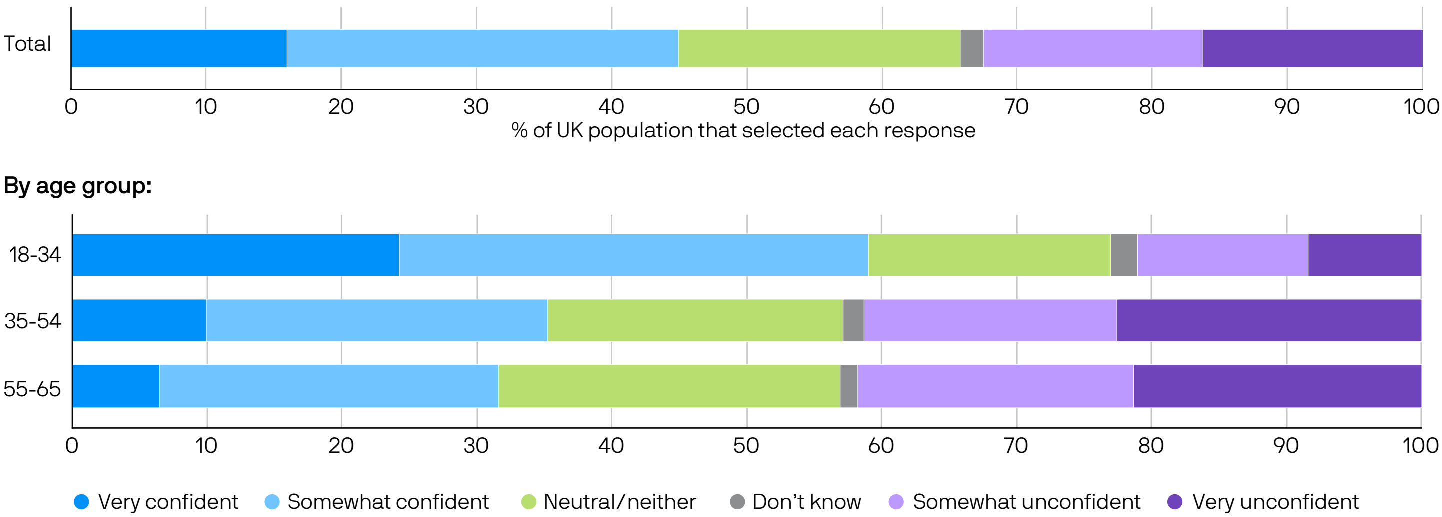


Only a small share of the UK population feel confident about saving and investing for retirement

Less than half of respondents are confident about their future ability to save and invest for retirement, of which only 16% are 'very confident'.

Younger cohorts are more confident about their future ability to save and invest for retirement than the older generations.

Q: How confident, if at all, are you of the following? Your future ability to save and invest for your retirement.



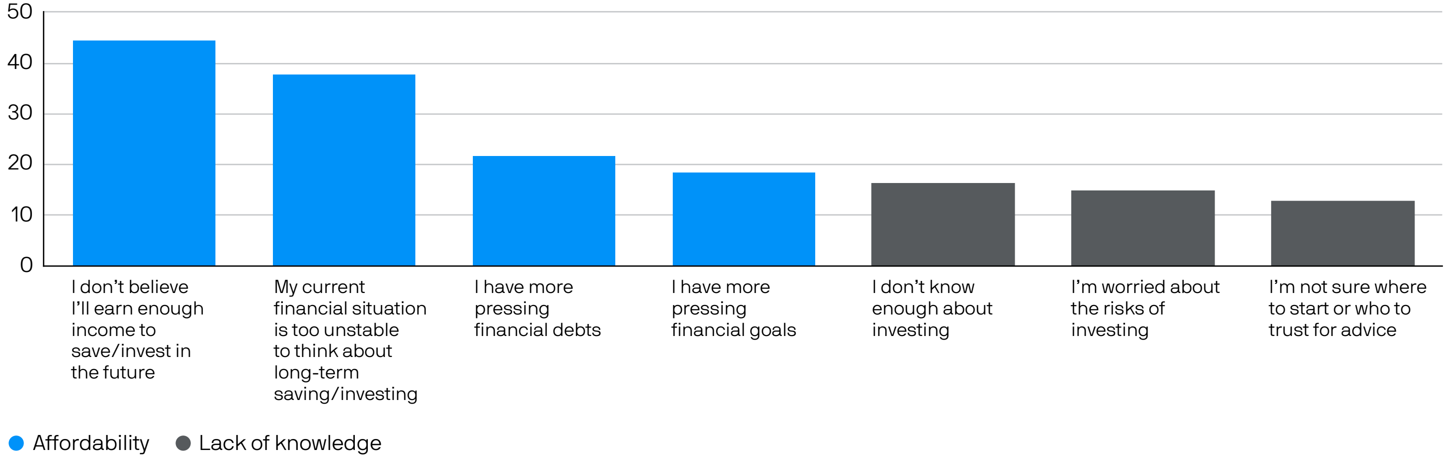
Cost-of-living pressures and lack of knowledge are weighing on the UK population's ability to save and invest

Among the respondents who are uncertain or lacking confidence in their retirement prospects, cost-of-living pressures inhibiting their ability to save are clearly evident.

Almost one-fifth of the UK population lack confidence because they don't know enough about investing, while 15% are worried about the risks of investing.

Q: You mentioned you felt unconfident or uncertain about your future ability to save and invest for your retirement. Which of the following best describe why this is?

% of UK population that selected each response



Survey respondents were able to select multiple responses hence the bars do not sum to 100%.

Reliance on cash

> It’s always wise to have some savings in cash to cover emergency payments, but an overallocation to cash will drastically reduce your overall returns, particularly over the long term.

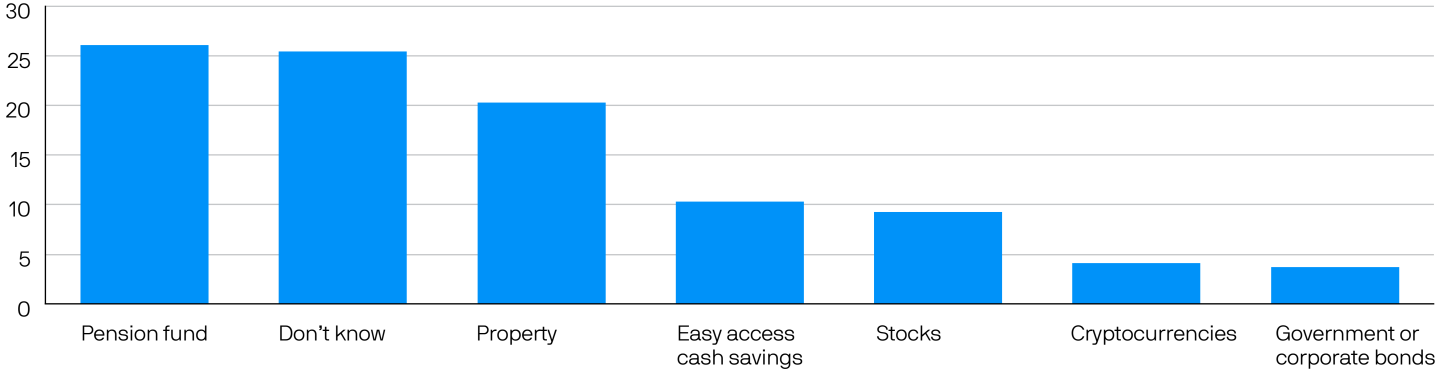
Zara Nokes
Global Market Analyst

Risk aversion is leading to an overallocation to cash

More respondents believe cash will deliver better long-term returns than stocks. A quarter of the UK population 'don't know' what asset is most likely to deliver the best returns when saving for retirement.

Q: Thinking about saving for your retirement over the long term, which of the following do you believe has the potential to provide the BEST overall returns?

% of UK population that selected each response



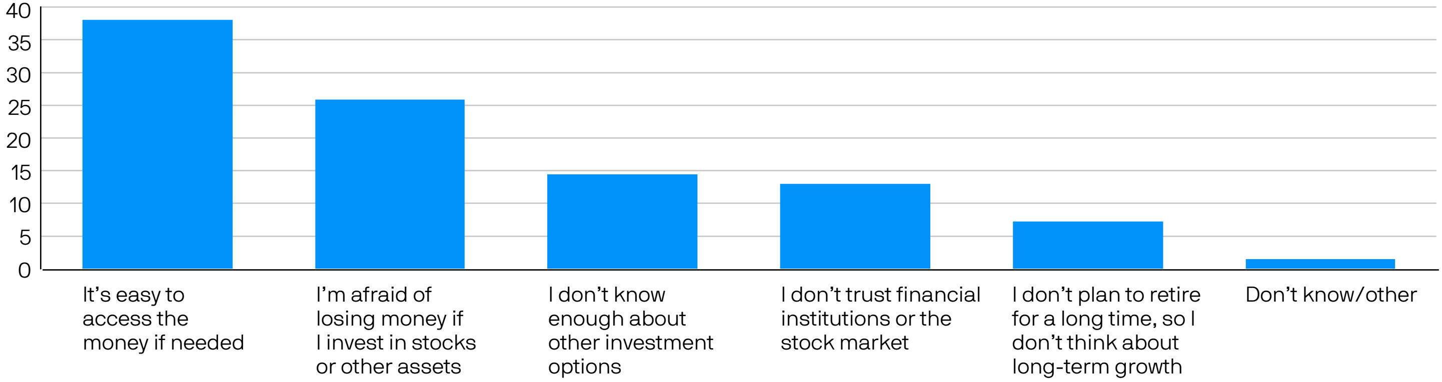
Data does not sum to 100% due to the exclusion of "other".

Risk aversion is leading to an overallocation to cash

26% of those with a preference for cash cited being afraid of losing money if they invest in stocks or other assets.

Q: You mentioned you believe cash savings are best when saving for retirement. Which of the following best describes why this is?

% of UK population that selected each response



Reliance on property

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It seems highly unlikely that UK house prices will rise by as much in the coming decades as they have in the past. UK households could end up very disappointed by how little ‘wealth’ their house has created over their lifetime.

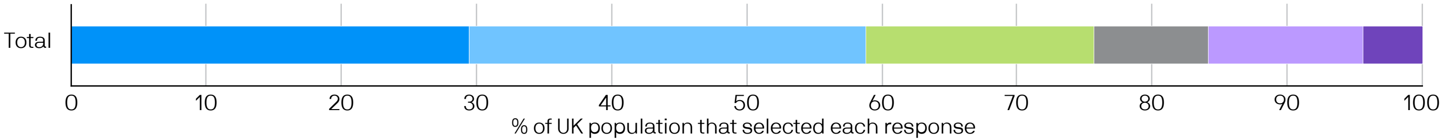
Karen Ward
Chief Market Strategist EMEA

Respondents are extremely optimistic about house price growth over the next 25 years

Almost 60% of respondents expect house prices to rise by more in the next 25 years than the 200% they have in the past 25 years.

The younger cohort are particularly optimistic, with 71% of 18-34 year olds expecting this strong increase.

Q: In the past 25 years, house prices have gone up by approximately 200%. To put this in context, the average UK house price was approximately £88,500 in the year 2000, rising to £265,300 in 2024. Thinking about the next 25 years, do you expect house prices to rise by…



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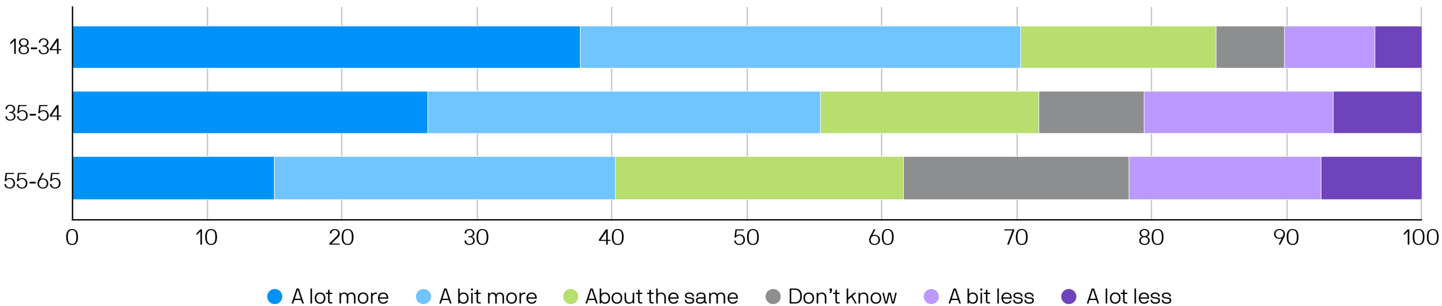


Preparedness by age

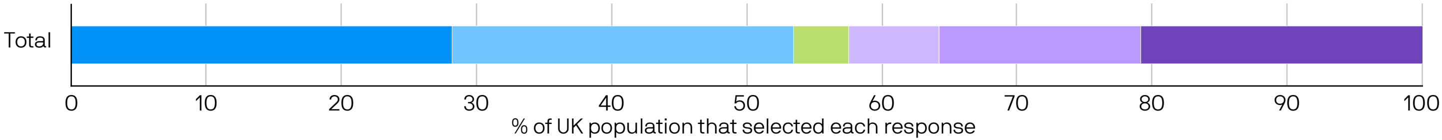
> To younger cohorts, retirement may seem like something to worry about later, but in doing so savers miss out on the sharpest tool in an investor's armoury: time.

Zara Nokes
Global Market Analyst

The UK population thinks about saving for retirement too late in life

Almost a quarter of younger cohorts have no plans to think about retirement, of which over a half said was because it is too early to be thinking about it.

Q: Apart from any workplace pension contributions, are you currently saving or investing in any way for your retirement?



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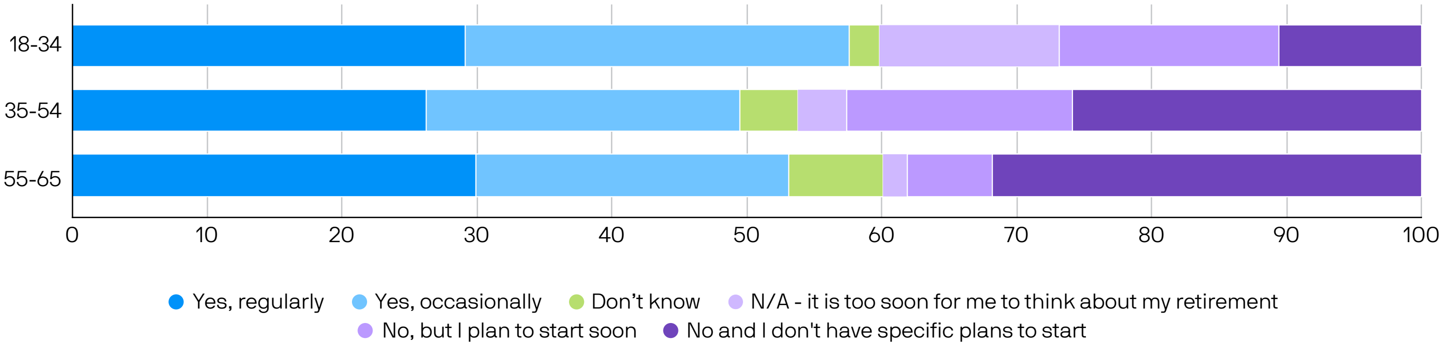


Sources of financial advice

> Improving the financial literacy of the UK population and getting more people access to good financial advice must be a priority for government and all of us in the wealth management industry.

Karen Ward
Chief Market Strategist EMEA

Individuals don't have the tools to make the best financial decisions

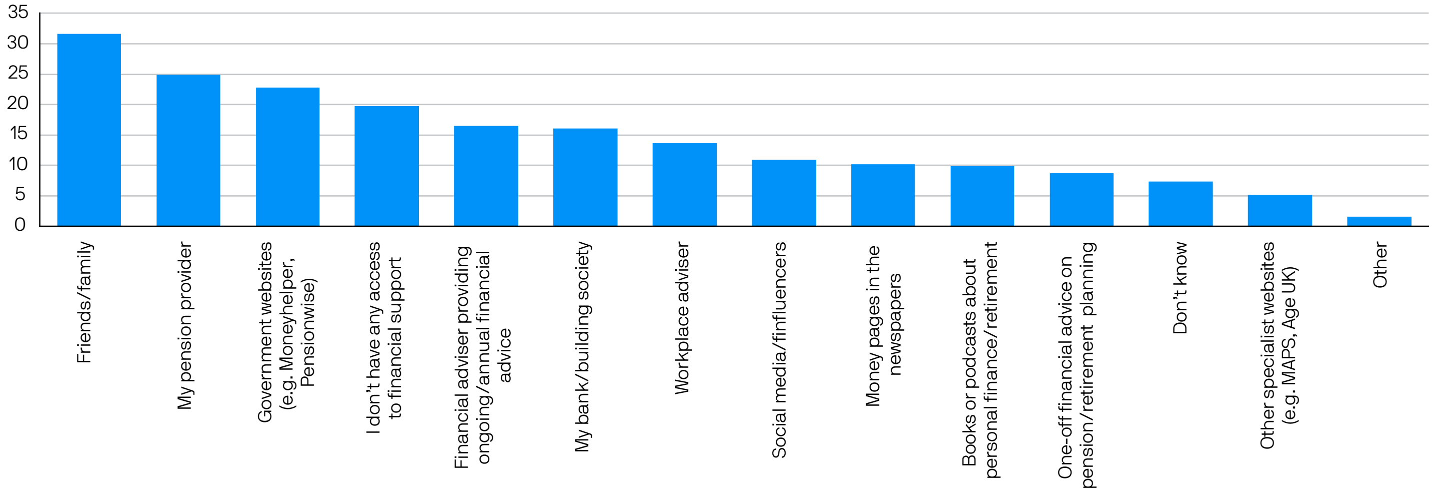
Respondents most commonly turn to friends and family for financial advice about retirement.

Only 17% of respondents use a financial adviser.

11% of individuals are relying on social media or 'finfluencers', rising to a quarter for those aged 18-27 years old.

Q: What information and support have you used to help you make financial decisions about retirement?

% of UK population that selected each response



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Expectations of the state

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The younger population are particularly optimistic about how generous the state will be in retirement. This sits at odds with the fiscal challenges faced by the government in supporting an ageing population.

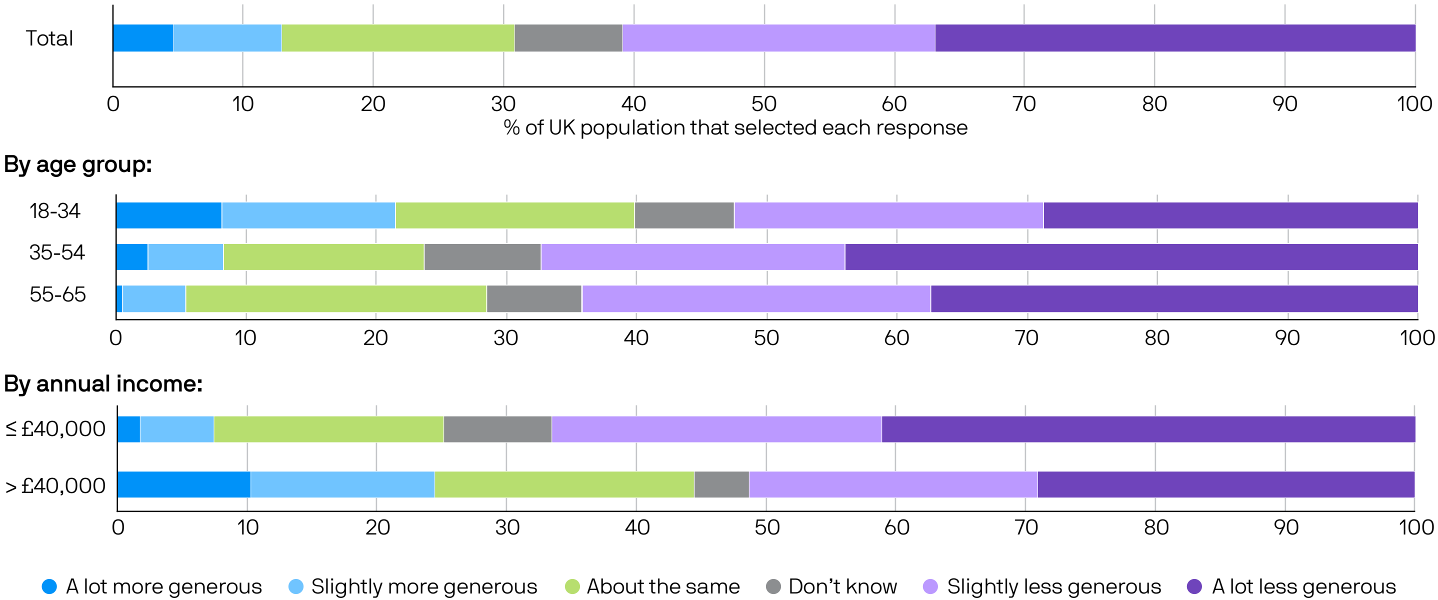
Zara Nokes
Global Market Analyst

Expectations of what the state will provide are high

40% of the UK population aged 18-34 think the state will be equally or more generous when they retire compared to today.

Only half of those earning over £40,000 per year are expecting state support to be less generous when they retire.

Q: Compared to today, how much more or less generous do you believe state support/state pensions will be when you retire?



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