

Prudential Reveals Equity Mix Remains Top Choice For Pension Investments



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Prudential has reported that more than one in three people retiring within the next 10 years say they would prefer their pension to be invested partly in the stock market and the remainder in other types of investments, according to new research*.

The nationwide study shows that consumer confidence in the stock market continues despite recent market and economic upheavals.

Prudential asked 1002 men aged 55 to 64 and women aged 50 to 59 who have a [pension](#) how they would want their [pension fund](#) invested if they could choose:

- 35% said partly in the stock market and the remainder in other investments (40% men, 29% women)
- 29% said only in cash or very low-risk investments (29% men, 30% women)
- 22% said they did not know (18% men, 28% women)

Since the FTSE 100 index of leading shares hit a five-year low of 3530 in the week of 2nd March this year, it has climbed back up. Currently the FTSE is at 4615 w/c 27 July 2009, compared to 4413 w/c 26 July 2008 so is 202 points higher than this time five years ago.**

Andy Brown, Prudential's director of investment funds, said: "Despite immense volatility in the stock market over the past year or so, there is still evidence of consumer confidence in equities to deliver a promising return for pension investments over the long-term.

"What is certain as well is that many people have been spooked by the recent economic maelstrom and, unsurprisingly, would prefer their pension to be in cash or lower risk investments as they near retirement.

"We've seen a marked increase in the numbers of people looking for a home for their money which they can trust, knowing that it has a solid capital base and a long-standing history which will stand it in good stead for the future.

"I think investors can feel confident in stock market opportunities if they are given a decent choice in how they access real assets such as the equity market. Investors can really capitalise on the markets if they can access funds across a number of asset classes and sectors from a range of different investment managers allowing diversification across assets and manager styles."

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Notes to editors
* Survey conducted by Research Plus among 1,002 UK males aged 55-64 and UK females aged 50-59 between 23 and 30 April 2009 using an online methodology
** Source: Yahoo finance FTSE 100 charts - correct as at date of issue: 27th July 2009

About

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