# Retail investors stay the course amid market turbulence

April 2, 2025

- **Only 9% react to market volatility by selling off their investments**
- **Majority (52%) of retail investors across the globe hold investments for years**
- **Allocation to asset classes remains stable, but investors are diversifying across sectors**
- **Trust in Europe to deliver long-term returns hits record highs, but declines for US**

**Wednesday 2nd April 2025** – Retail investors across the world adhere to long-term strategies to navigate market volatility, according to the latest quarterly **Retail Investor Beat** from trading and investing platform eToro. The study, which surveyed 10,000 retail investors across 12 countries, revealed that nearly half of the respondents (48%) stay the course and maintain their existing investment strategy during volatile times, while 23% opt to rebalance their portfolios. 12% see market volatility as an opportunity to buy more investments, and only a small fraction (9%) react by selling off their investments.

The majority of retail investors are in it for the long run. 52% hold their positions for years, and a further 9% for decades. One in four (24%) hold assets for months, while only a small proportion of retail investors stay invested in them for weeks (7%) or days (2%).

The study also found that retail investors' confidence hasn't wavered. A majority (51%) believe they are on track to achieve their investment goals, an increase from the previous quarter, marking the highest percentage since Q1 2023.

**Commenting on the data, eToro's Global Market Strategist Lale Akoner, said** : *"Market turbulence which surfaced earlier this year continues to put retail investors to the test, yet the data shows that they are standing by their long-term strategies, demonstrating a level of discipline that challenges outdated notions of retail investors as 'dumb money'. Retail investors have been steadily building their resilience, which has now manifested in sustained levels of confidence despite market volatility."*

**Allocation to asset classes remains stable, but investors are diversifying across sectors**

The percentage of retail investors holding domestic equities (52%), foreign equities (35%), and cryptoassets (35%) have remained unchanged in the first quarter of the year, while slightly higher percentages of investors are holding commodities, as well as domestic and foreign bonds. The only asset class to see a decline was cash (69%), down 1 percentage point compared to the end of 2024.

Retail investors are also increasingly diversifying their portfolios across industries. This quarter, they are more likely to hold equities in consumer staples, up 12%, followed by mining (+9%), materials (+8%), energy (+6%), and financial services and technology (both +5%), while the proportion investing in discretionary consumer goods remained the same.

**Lale Akoner added**: *"Retail investors aren't just holding steady – they're making thoughtful adjustments to navigate this uncertainty. The 12% jump in consumer staples holdings suggests a tilt toward more defensive sectors. Cautiousness in the economy is also reflected in an increased diversification of their portfolios across various industries. In an uncertain policy environment, investors are hedging and prioritising resilience over risk, with rising interest in areas like materials, mining, energy, and financials. "*

**Confidence in Europe rises, but declines for the US**

One in four retail investors (26%) identify Europe as the region with the strongest long-term return potential, up 30% since Q4 2024. Conversely, those favouring the US market for long-term returns dipped from 45% to 41% since Q4 2024, down 9%.

The percentage of retail investors that trust emerging markets for the long run rose from 17% last quarter to 19%, Japan from 12% to 13%, the UK from 8% to 10%, and Australia from 7% to 8%. China saw a slight decline, dropping from 24% to 22% in the first quarter of the year.

**Lale Akoner commented :** *"European markets have often been overlooked as investors focused on US growth stocks. However, with economic policy uncertainty in the US and concentration risk in broader indices, more investors are turning to Europe to diversify and protect their capital. Attractive valuations, growth-oriented policies and recent strong performance in key sectors such as defence, energy and luxury goods are driving renewed interest in the region.".*

**ENDS**

**Notes to editors**

**About this report**
The latest Retail Investor Beat was based on a survey of 10,000 retail investors across 12 countries and 3 continents. The

following countries had 1,000 respondents: UK, US, Germany, France, Australia, Italy and Spain. The following countries had 600 respondents: Netherlands, Denmark, Poland, Romania, and the Czech Republic.

The survey was conducted from 18 February – 4 March 2025 and carried out by research company Opinium. Retail investors were defined as self-directed or advised and had to hold at least one investment product including shares, bonds, funds, investment ISAs or equivalent. They did not need to be eToro users.

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