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The Generational → Shift in Investing

Younger generations are viewing financial risk and diversification differently from older generations.

That's the overwhelming conclusion from recent research commissioned by Coinbase and conducted by Ipsos Research among 4,350 U.S. adults to understand the differences and similarities between how younger (Gen Z and Millennials) and older (Gen X and Boomers) generations trade and invest and what they want to see offered by traditional financial markets.

The research found that Gen Z and Millennials are more hands-on with their investments, are more aggressive in their strategies, and view "diversification" differently from older generations. They are interested in exploring non-traditional assets – derivatives, early-stage token sales, prediction markets, and DeFi lending – in order to build their wealth.

A note on methodology: Data for this report comes from a starting sample of 4,350 U.S. adults commissioned by Coinbase and conducted by Ipsos Research on October 31 - November 4, 2025, with a US census weighted subgroup of 2,005 investors who hold at least one investment account, have investments, and plan to invest over the next 12 months.

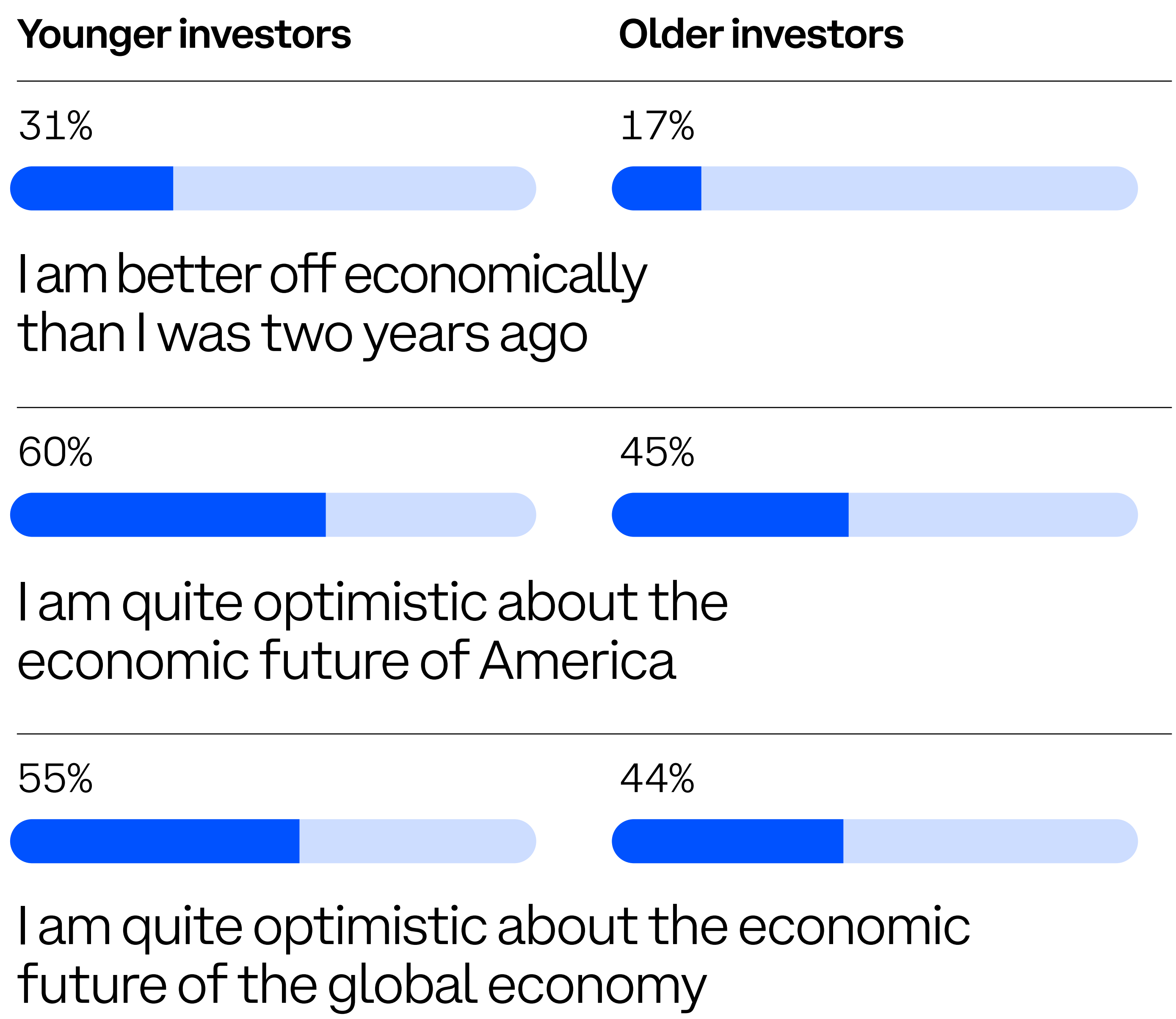
The younger investor is different.

They are looking for new ways to build wealth	73% of younger adults believe that it is harder for their generation to build wealth by traditional means
They are actively looking beyond stocks	While stock ownership is similar (47% of younger investors vs 50% of older investors), more younger investors say they are actively looking for ways to earn rewards on their investments beyond traditional stock dividends (86% of younger investors vs 67% of older investors)
Younger investors are already more interested in crypto	Younger investors are 2X more likely than older investors to report already owning crypto, and nearly half (47%) are interested in investing in new crypto assets before the general market (compared to 16% of older investors)
Younger Investors have more of their portfolio in crypto and other non-traditional assets vs older investors	Younger investors report they have 25% of their portfolio in non-traditional assets, 3X that of older investors (8%)
Younger investors are more interested in new forms of trading	Younger investors are twice as likely as older investors to be interested in "copy trading" or social trading (67% vs 29%)
They are more likely to trade more often	Younger investors are nearly 3X as likely to report they make a trade once a week or more compared to older investors (29% vs 10%)

In order to meet the needs of the emerging investor, Coinbase continues to update the system and build the future of finance with the Everything Exchange, a place to trade anything, anywhere, anytime.

Younger investors are looking for new ways to build wealth.

Younger investors feel more optimistic about the current state of the economy and where it is heading. They feel more positive at a personal, national, and international level.



However, there is a paradox when it comes to wealth creation. Nearly three-quarters of younger adults (73%) believe it is harder for their generation to build wealth by traditional means (compared to 57% of older generations).

While stock ownership is similar (47% of younger investors vs 50% of older investors), more younger investors are actively looking for ways to earn rewards on their investments beyond traditional stock dividends (86% of younger investors vs 67% of older investors).

They feel locked out of how past generations have built wealth through home ownership, stock trading, and more traditional tools and as a result are interested in new, non-traditional approaches to build wealth. They don't see how the current system can deliver them economic freedom, so they are looking for alternative ways to build wealth.

This manifests itself in **who** they look to for advice, **how** they approach their trading strategies, and **what** assets they want to invest in.

Who

Younger investors look to non-traditional sources of investment advice.

Given this is a generation that has either grown up or been born in a post-internet era, it is perhaps unsurprising that younger investors are looking to different sources than older generations to help inform their investment perspective. They are far more likely to form their own investment decisions or follow advice from friends or prominent traders.

Younger investors are more likely to be self-directed and socially informed in their decision-making

	Younger investors	Older investors
I need to take investment options into my own hands to ensure my financial future	83%	59%
I feel more confident making my own investment decisions than relying on a traditional financial advisor	69%	47%
I would do copy trading or social trading on friends' or prominent traders' accounts if I had the opportunity	67%	29%

Younger investors use different sources to make decisions about investments and finances.

	Younger investors	Older investors
Financial planners	33%	51%
Friends and family	44%	29%
YouTube	43%	17%
TikTok	28%	3%
AI	28%	12%
Instagram	26%	5%
X	23%	5%
Reddit	22%	6%
Podcasts	25%	12%

How

Younger investors trade more often and expect higher returns.

Younger investors are more active.

They are nearly 3X as likely to make a trade once a week or more compared to older investors (29% vs 10%). They are also more likely to report that they actively trade 30%+ of their portfolio than their older counterparts.

They take on more risk in an effort to meet their desire for higher returns.

They are also prepared to take on more risk in an attempt to build wealth, and are more likely to use margin to increase their upside potential (19% vs 8%). They also expect higher returns – 28% of younger investors are significantly more likely to expect a 15%+ return on their investments compared to 19% of older investors.

This is borne out in the trading strategies they use and are interested in.

	Trading strategies they use	Trading strategies they are interested in
Trade frequently in and out of positions	Younger investors 21% Older investors 10%	Younger investors 24% Older investors 10%
Use margin to increase upside potential	Younger investors 19% Older investors 8%	Younger investors 22% Older investors 11%
Seeking higher returns via high-risk investments	Younger investors 26% Older investors 18%	Younger investors 34% Older investors 21%
Timing-based buys	Younger investors 23% Older investors 18%	Younger investors 28% Older investors 21%

→ What

Younger investors are embracing non-traditional assets.

4 in 5 younger investors say they are willing to try new investment opportunities before others do, compared to just under 1 in 2 of older investors. This appetite to try new asset classes is driven by the belief that new ways to generate wealth are being enabled by technology.

We've already seen this borne out in the rise of crypto ownership.

According to Morning Consult, 70% of crypto owners in America are Gen Z or Millennials. New research commissioned by Coinbase shows that younger investors are 2X more likely than older investors to already own crypto, and nearly 1 in 2 (47%) are interested in investing in new crypto assets before the general market (compared to 16% of older investors).

4 in 5 of those in younger generations agree that cryptocurrency gives people in their generation more financial opportunities than they would otherwise have, and 7 in 10 say they personally know someone who has made a lot of money trading cryptocurrencies.

And they see an even bigger future for crypto. 4 in 5 of younger adults believe that in the future, cryptocurrency will play a much larger role in the financial system than it does today, compared to 3 in 5 of older generations.

But this is just part of a broader story of adoption of non-traditional assets by younger investors.

Younger investors say 25% of their portfolio is in non-traditional assets, 3X that of older investors (8%). This may explain why younger investors are much more likely to say they are interested in a platform that offers a wider range of assets, such as cryptocurrency or private investments (84% vs 54%).

Reported non-traditional asset ownership and intent by generation

	Currently own	Plan to buy
Crypto	Younger investors 45% Older investors 18%	Younger investors 25% Older investors 11%
Crypto ETF	Younger investors 26% Older investors 10%	Younger investors 30% Older investors 13%
NFT	Younger investors 19% Older investors 5%	Younger investors 23% Older investors 8%
Stock derivatives	Younger investors 20% Older investors 10%	Younger investors 30% Older investors 13%
Crypto derivatives	Younger investors 19% Older investors 6%	Younger investors 30% Older investors 10%
Leveraged ETFs	Younger investors 12% Older investors 8%	Younger investors 31% Older investors 12%

The adoption of non-traditional assets only looks to broaden over time. When respondents were asked about their interest in some of the newer, emerging non-traditional assets, there was strong top two box claimed interest, especially among younger investors.

Interest in emerging non-traditional assets by generation

	Younger investors	Older investors
24/7 stock market access	63%	30%
Prediction markets	54%	22%
Altcoins	46%	15%
Crypto leverage	54%	18%
Early-stage token sales	47%	16%
DeFi lending	44%	12%
Crypto derivatives	50%	15%

Crypto owners are more likely to be interested in other emerging non-traditional assets.

Americans who say they own crypto are, on average, about twice as likely to be interested in emerging non-traditional assets than non-crypto owners. They are more open to new ways of building wealth.

Interest in emerging non-traditional assets by crypto ownership

	Crypto owners	Non-crypto owners
24/7 stock market access	68%	36%
Prediction markets	58%	29%
Altcoins	56%	19%
Crypto leverage	63%	24%
Early-stage token sales	51%	22%
DeFi lending	51%	18%
Crypto derivatives	57%	22%

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