



NEWS RELEASE

T. ROWE PRICE: FAMILIES' EXCITEMENT FOR CRYPTOCURRENCY BRINGS RISKS AND OPPORTUNITIES

2022 Parents, Kids & Money Survey also finds that the pandemic and resulting "She-cession" has taken a toll on women's mental health

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NEWS

T. Rowe Price's 14th annual [Parents, Kids & Money Survey](#), which sampled more than 2,000 parents and their 8- to 14-year-old kids, reveals insights about parents' and kids' knowledge and interest in cryptocurrency. The findings show that, while cryptocurrency has sparked excitement and more money conversations between parents and kids, it also may have overshadowed an understanding of investment fundamentals.

"It's great to see kids taking an interest in investing, but parents need to talk to their kids about the risks associated with investing in cryptocurrencies," says Roger Young, Thought Leadership Director at T. Rowe Price and father of three. "Families who put money into cryptocurrency should do their research and be prepared for a wide range of possible outcomes. These are extremely volatile and speculative investments, so they should not represent a large portion of the assets you need to achieve important financial goals. Although past performance is not a guarantee of future results, history has shown time and again that investing based on fundamental principles in a diversified portfolio of stocks, bonds, and cash is a sound strategy."

This year's survey findings also underscore the ongoing impacts of the pandemic, notably the extent to which the economic fallout from the pandemic has disproportionately impacted women in what some are calling a "She-cession." The downshift to single-income households, brought on by economic downturn and education and childcare disruptions, has taken a toll on women's mental health. And parents in these newly single-income households are less likely to be confident talking to their kids about money.

To help parents discuss investing fundamentals and other money matters with their kids, the firm created [MoneyConfidentKids.com](#), which provides free online educational games, classroom lessons for educators, and tips for parents. These resources are focused on financial concepts, such as goal-setting, spending versus saving, inflation, asset allocation, and investment diversification.

FAMILIES' ATTITUDES ABOUT CRYPTOCURRENCY

- **Kids are more familiar with crypto than their parents:** 57% of kids surveyed said they were familiar with cryptocurrency compared with 47% of parents. Kids ages 11 to 14 and boys were more likely to say they are familiar with cryptocurrency (65% and 60%, respectively). Among the parents who are familiar with cryptocurrency, 32% say that their kids actively trade cryptocurrencies/digital assets more than they do.
- **If kids were given \$100:** 49% of them said they would save it; 29% would invest it; and 23% would spend it. Among those who would invest it, 57% said they would invest it in cryptocurrency compared with 38% who said they would invest it in traditional stocks.
- **Many kids disconcertingly believe that cryptocurrency is the future of investing:** 40% of kids agree with the statement "cryptocurrency is the future of investing." Among kids who are familiar with cryptocurrency, 51% agree with the statement.



- **Parents who have invested in cryptocurrency have concerns about the risks:** 28% of parents have money invested in cryptocurrency. Among those who are invested in cryptocurrency or familiar with it, 53% worry that it's "a bubble that will burst" and 52% fear it is a "short-term fad." More than half with a net worth of \$100k to under \$500k fear it is a bubble that will burst (57%) or a short-term fad (59%). Similarly, 56% of parents with a net worth of \$500k or more fear it is a bubble and 54% believe it is a short-term fad.
- **Still some parents are investing in cryptocurrency with specific goals in mind:** Among parents who have money invested in cryptocurrency, 56% say the money is earmarked for a particular goal and 68% hope that gains in cryptocurrency will help make up for savings shortfalls.
- **Cryptocurrency is generating money conversations with kids:** 42% of parents who are familiar with cryptocurrency agree with the statement, "My kids and I have regular conversations about finances because of cryptocurrency." And 48% of parents familiar with cryptocurrency say they are excited to talk to their kids about cryptocurrency/ digital assets. But only 49% say they discuss the risks associated with investing in cryptocurrency with their kids.

SINGLE-INCOME HOUSEHOLDS AND THE "SHE-CESION"

- **The pandemic economy has forced nearly one in five families into a single-income household:** 18% of parents went from a two-income to a one-income household.
- **The "She-cession" is taking a toll on women's mental health:** Three in four women whose employment was impacted by the pandemic say their mental health has suffered, and they are twice as likely as men to worry (61% compared to 32%), lose sleep (41% compared to 18%), or have lower self-esteem (27% compared to 14%).
- **In newly single-income households, parents are less confident in money conversations:** Only 32% of parents whose households downsized to a single-income are confident about financial conversations with kids compared with 45% of parents who did not downsize.
- **Women are more likely than men to seek changes in their work – if they return at all:** Of those who experienced a change in employment status due to the pandemic plan, 38% of women (compared with 26% of men) plan to look for a new job. As they return to work, 23% of women (compared with 15% of men) will seek remote work.

PARENTS' AND KIDS' GENERAL CONVERSATIONS ABOUT MONEY

- **Most parents have at least some reluctance to discuss money matters with their kids:** 57% of parents surveyed have at least some reluctance to discuss money matters with their kids. This is consistent with [2021 Parents, Kids & Money Survey](#) findings, which found that 62% of parents have at least some reluctance to discuss money matters with their kids.
- **Kids overwhelmingly look to their parents for advice on money:** 83% of children ages 8 to 10 and 70% of children ages 11 to 14 turn to their parents as their most trusted source of information for investing, more so than turning to friends, other family members, teachers, or social media.
- **However, as they get older, kids increasingly turn to social media:** 40% of kids ages 11 to 14 said they seek advice on money-related matters from social media compared with 15% of kids ages 8 to 10. Among 11 to 14 year olds, YouTube is the leading source (31%) followed by Facebook (22%), Instagram (17%), and TikTok and Twitter (both 14%).

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ABOUT THE SURVEY

The 14th annual T. Rowe Price Parents, Kids & Money Survey, conducted by Dynata, aimed to understand the basic financial knowledge, attitudes, and behaviors of both parents and their kids ages 8 to 14. The survey was fielded from January 7, 2022, through February 3, 2022, with a total of 2,138 U.S. participants in the representative sample. The sampling represents 51% women and 49% men. Additionally, the survey included an oversample of African-American/Black parents (n=528), Latinx parents (n=516), and Asian parents (n=505). The margin of error for the representative sample is +/-2.1% at the 95% confidence interval. Reporting includes only findings that are statistically significant at this level.

ABOUT T. ROWE PRICE

Founded in 1937, Baltimore-based T. Rowe Price Group, Inc. ([troweprice.com](https://www.troweprice.com)), is a global investment management organization with \$1.54 trillion in assets under management as of February 28, 2022. The organization provides a broad array of mutual funds, subadvisory services, and separate account management for individual and institutional investors, retirement plans, and financial intermediaries. The company also offers a variety of sophisticated investment planning and guidance tools. T. Rowe Price's disciplined, risk-aware investment approach focuses on diversification, style consistency, and fundamental research. For more information, visit [troweprice.com](https://www.troweprice.com) or our [Twitter](#), [YouTube](#), [LinkedIn](#), [Instagram](#), and [Facebook](#) sites.

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