

Q4 2022

# NEXT INVESTOR OUTLOOK

As a partner for the industry's leading online investing platforms, Apex Fintech Solutions has a unique view into the changing landscape of digital wealth management.

In the past couple of years, aggregate assets for all generations rose about 16% to \$51.4 trillion. Millennials and Gen Z are gaining wealth at a rate of 25%, significantly faster than the older generations.<sup>1</sup>

Such a massive shift in market power is fueling major implications for how, when, and why financial services are consumed today and in the future.

At the close of each quarter, Apex releases the top 100 stocks<sup>2</sup> owned by investors on the Apex platform. Highlighted here are holdings and notable themes as of December 31, 2022, with a special focus on the millennial and Gen Z demographics.

<sup>1</sup> "U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2021," Cerulli Associates, January 20, 2022.

<sup>2</sup> Top 100 stock rankings reflect the 100 largest holdings based on notional values as of December 31, 2022, held across all retail accounts on the Apex platform.



# The Generations Defined



**Z**

**Generation Z**

Born: 1997-2012

Age In 2022: 25 and younger

**M**

**Millennial**

Born: 1981-1996

Age In 2022: 26-41

**X**

**Generation X**

Born: 1965-1980

Age In 2022: 42-57

**B**

**Baby Boomer**

Born: 1946-1964

Age in 2022: 58-76

The data shared in this report analyzed more than 1.3 million **Gen Z accounts**, in addition to over 4.0 million accounts held by **millennials**, 2.0 million held by **Gen X**, and over half a million **baby boomers**, calculated as of December 31, 2022.

# Top 20 Stock Rankings Across Generations

Rank 12/31/22	Z			M			X			B		
	Equity	%	Rank Change	Equity	%	Rank Change	Equity	%	Rank Change	Equity	%	Rank Change
1	AAPL	14.8	+1	TSLA	13.6	0	AAPL	15.8	+1	AAPL	19.9	0
2	TSLA	12.7	-1	AAPL	12.4	0	TSLA	13.4	-1	TSLA	8.0	0
3	AMZN	6.8	0	AMZN	7.0	0	AMZN	7.2	0	MSFT	6.0	+1
4	MSFT	4.7	0	MSFT	4.8	0	MSFT	4.2	0	AMZN	5.5	-1
5	NVDA	3.3	+1	NVDA	3.0	+2	NVDA	3.1	0	NVDA	2.7	0
6	GOOG	2.4	+1	GOOG	2.7	0	BRKB	2.4	+2	BRKB	2.2	0
7	AMC	2.3	-2	GOOGL	2.2	+1	GOOGL	2.3	-1	XOM	2.1	+3
8	GOOGL	2.2	0	META	2.2	+1	GOOG	2.2	-1	GOOGL	1.8	-1
9	DIS	2.1	0	BRKB	2.0	+4	META	1.8	+2	AMD	1.7	0
10	BRKB	1.9	+3	AMD	2.0	+1	SOFI	1.6	0	GOOG	1.7	-2
11	META	1.9	-1	AMC	2.0	-6	DIS	1.5	+2	JPM	1.6	0
12	AMD	1.8	-1	DIS	1.9	-2	AMD	1.4	+2	T	1.4	+1
13	KO	1.3	+6	SOFI	1.7	+1	XOM	1.3	+3	BA	1.3	+11
14	COST	1.3	+2	BABA	1.3	+3	NFLX	1.3	+1	PFE	1.2	+1
15	F	1.2	+3	NFLX	1.2	+5	BA	1.2	+8	PG	1.2	+4
16	GME	1.2	-2	NIO	1.2	-4	AMC	1.2	-7	F	1.2	-2
17	NIO	1.1	-5	COST	1.2	+2	COST	1.1	0	META	1.2	-5
18	XOM	1.1	+8	GME	1.2	-3	NIO	1.0	-6	COST	1.1	-2
19	NFLX	1.1	+1	XOM	1.2	+4	T	1.0	+2	BAC	1.1	-1
20	O	1.0	+3	PLTR	1.1	-4	BABA	1.0	+4	ABBV	1.1	+3

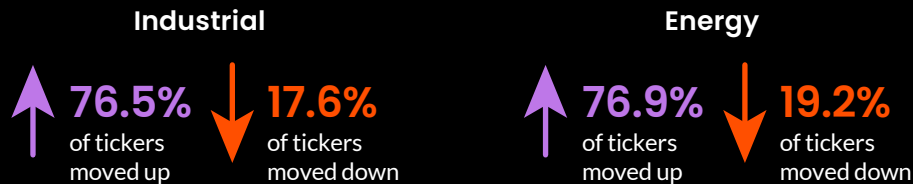
% = The percentage of holdings within the top 100 stocks held by each generation

Rank Change = Rank change from 9/30/22

# A Strong Showing in Industrial and Energy Sectors

For all four investor generations, the two strongest performing sectors in Q4 were industrials and energy, with 76.5% and 76.9% of their respective tickers moving up on our Top 100 list.

## Top Two Upwardly Mobile Sectors in Q4 Rankings



# Big Boosts for Industrial and Energy Sector Rankings

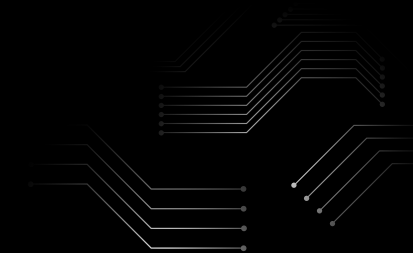
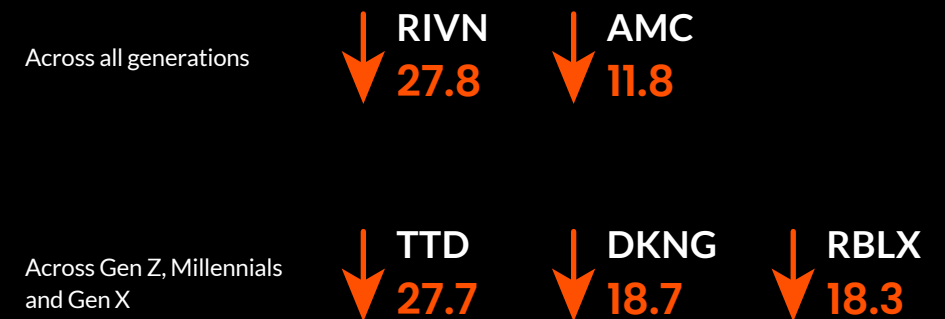
Across all generational holdings, the top upward-trending industrial tickers on our Top 100 list were **GE, LMT, RTX, BA** and **DAL**. Energy stocks that moved up the most were **CVX, XOM, BP, ET** and **EPD**.

# RIVN, AMC and the Service Sector Shift Down

The tickers that dropped the most in our Top 100 list include RIVN, which dipped an average of 27.8 spots across all generations, followed by AMC, which slipped an average of 11.8 spots.

For three out of four generations — Gen Z, millennials and Gen X — businesses TTD, DKNG and RBLX also dropped the most.

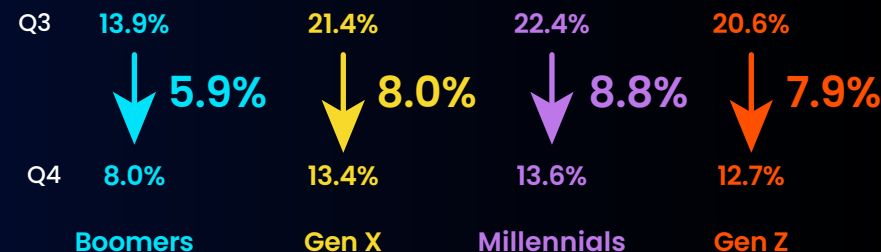
## Top Five Downwardly Mobile Stocks in Q4



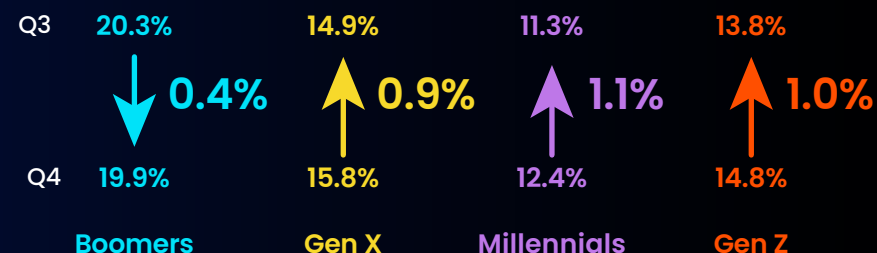
# Long-Time Leader TSLA Overtaken by AAPL

After holding the number-one spot on our Top 100 Stocks, TSLA has finally been unseated by AAPL for Gen X and Gen Z. For Gen X, TSLA spent nine consecutive quarters in the top spot; for Gen Z, TSLA had a four-quarter streak.

## TSLA Holdings by Generation as a percentage of the Top 100 holdings



## AAPL Holdings by Generation as a percentage of the Top 100 holdings



### Which Generations Are Holding Tightest to TSLA?

89%

Gen Z Hold Rate

88%

Millennial Hold Rate

### Which Type of Investor Is Holding TSLA?

93%

Self-directed investors Hold Rate for TSLA

84%

Managed investors Hold Rate for TSLA

## Younger Generations Still Love TSLA

At number two, TSLA is still a beloved stock—especially with millennials and Gen Z, who chose to hold their position at the highest rates, even as the price plummeted.

A different look at this data revealed that, for self-directed investors of all ages, the TSLA hold rate is significantly higher (93%) than for investors who use managed brokerage services (84%).

# Holding Was the Name of the Game in Q4

As it turns out, TSLA was part of a much larger trend. Even when stock prices went down, investors kept holding. Like TSLA, many other widely held stocks\* experienced price declines, and a majority of their investors also stuck to a holding strategy.

In fact, the hold rate was the same (88%) across stocks and generations, whether prices declined or not.

## Hold Rates: Top 10 Declining Tickers vs. All Stocks

**88%** Hold Rate for top 10 declining stocks\*

**88%** Hold Rate across all stocks

\*The top 10 widely held and declining stocks YOY from 2021 to 2022 were AMC, LCID, TSLA, NIO, PLTR, GME, AAPL, NVDA, PYPL and OCGN.

## All Generations Are Holding On

	Positions held across all accounts at start of quarter	Hold rate
<b>Boomers</b>	<b>3,639,300</b>	<b>88%</b>
<b>Gen X</b>	<b>13,996,353</b>	<b>89%</b>
<b>Millennials</b>	<b>22,619,811</b>	<b>88%</b>
<b>Gen Z</b>	<b>4,871,172</b>	<b>88%</b>

# Not Much Movement Across Generations

When hold rates are so high, the natural outcome is fewer overall trades. Across accounts held by all generations, approximately 4 out of 5 executed zero trades in Q4.

Of investors who did execute trades in Q4, many had no sales. Across generations, over 40% of accounts that saw trading activity had buy activity only. Gen Z had the lowest buy-only percentage (37%).

## Q4 Trade Rates Per Account by Generation

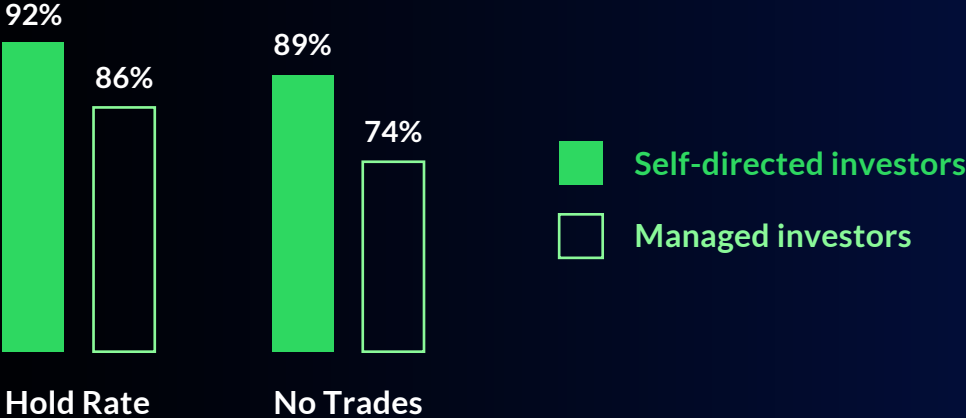
	% of Accounts with No Trades	% of Accounts with Trades	% of Traded Accounts with Only Buys
<b>Boomers</b>	<b>79%</b>	<b>21%</b>	<b>43%</b>
<b>Gen X</b>	<b>79%</b>	<b>21%</b>	<b>43%</b>
<b>Millennials</b>	<b>80%</b>	<b>20%</b>	<b>40%</b>
<b>Gen Z</b>	<b>81%</b>	<b>19%</b>	<b>37%</b>

# Millennials Were the Big Movers and Shakers

In terms of trades, millennials executed more than any other generation—1.4X the trades made by Gen X. Gen Z made the fewest moves overall.

	Accounts held	Trades executed
Boomers	3,639,300	11,313,304
Gen X	13,996,353	39,759,168
Millennials	22,619,811	55,632,464
Gen Z	4,871,172	9,281,600

## Self-Directed vs. Managed Investors



# Most Self-Directed Investors Are Sitting Back

Self-directed investors took a wait-and-see approach in Q4. A full 92% of their positions were held. Furthermore, 89% of self-directed investors executed no trades. On the other hand, managed investors generally held less and traded more.

# Self-Directed Investors Move Less in Down Markets

For managed investors, the hold rate bottomed out in Q1 2020—along with the market. Taking advantage of the declines, these investors increased their positions more than they reduced them.

On the other hand, self-directed investors had a very high hold rate (86%) during this same quarter, revealing a more cautious approach. Their hold rate hit bottom in Q1 2021, during the “meme stock” episode.

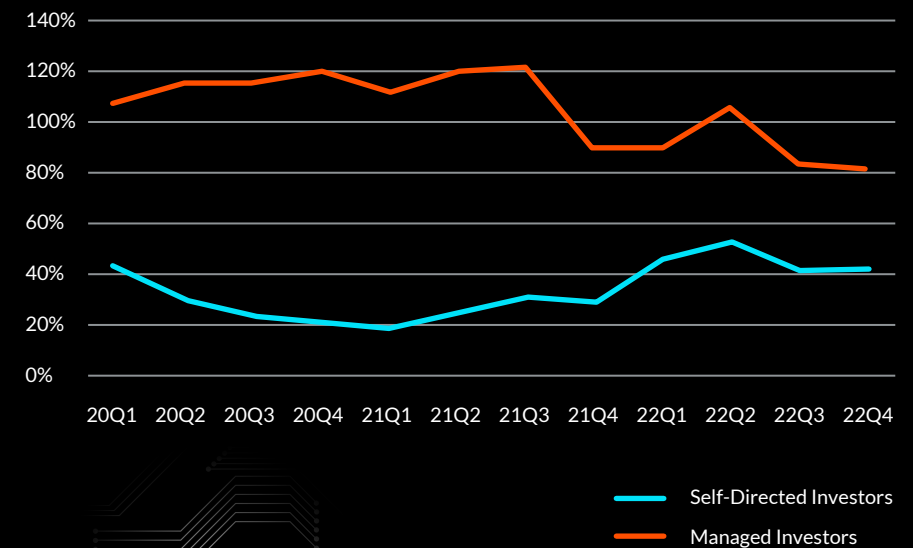
## 3-Year Hold Trends: Self-Directed vs. Managed Investors



# Managed Investors Buy More, Sell Less

A closer look at the ratio of positions increased to positions reduced shows that managed investors tend to buy more than they sell, at a rate of 108%. In contrast, this ratio for self-directed investors never exceeds 60%, indicating that they are more likely to enter a position only once, as opposed to managed investors who are more likely to buy at a variety of prices to yield an average per-share price.

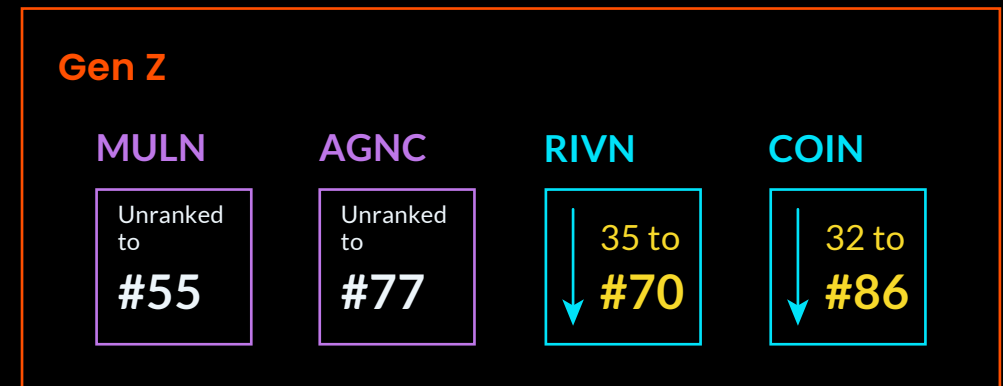
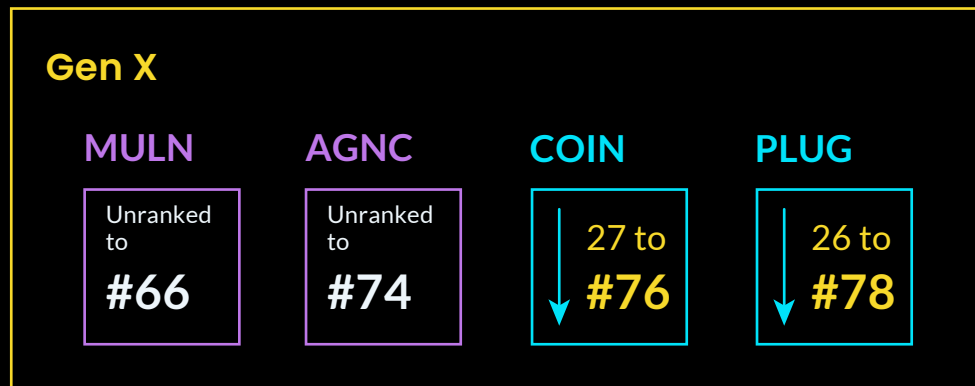
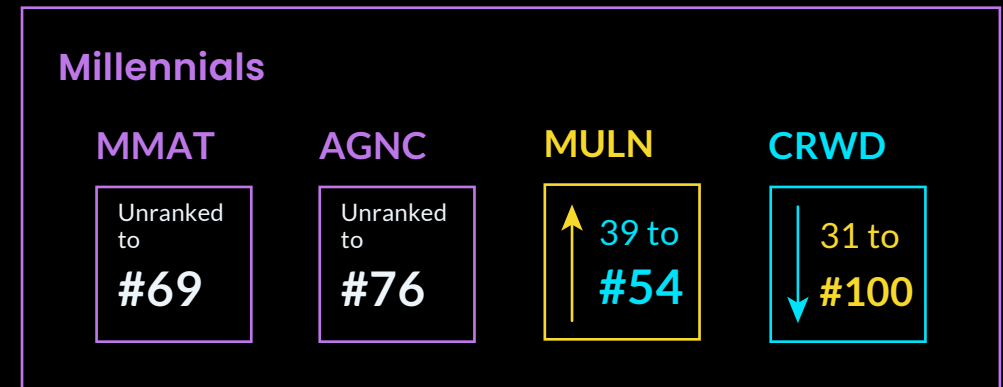
## Ratio of Positions Increased to Positions Reduced





# The Top 4 Rank Changes by Generation

The end of 2022 saw notable moves up and down the bottom half of the rankings, although the top stocks—TSLA, AAPL, AMZN and MSFT—barely budged. Each generation had a different set of significant shifts, but MULN and AGNC had the largest upward moves for everyone except boomers. Throughout Q4 2022, self-directed investors specifically took a wait-and-see approach. A full 92% of their overall positions were held, with 89% executing no trades. For managed investors, about 86% generally held positions, and 74% executed no trades.



## About Apex Fintech Solutions

Apex Fintech Solutions is a fintech powerhouse enabling seamless access, frictionless investing, and investor education for all. Apex's omni-suite of scalable solutions fuel innovation and evolution for hundreds of today's market leaders, challengers, change makers, and visionaries. The Company's digital ecosystem creates an environment where clients with the biggest ideas are empowered to change the world. Apex works to ensure their partners succeed on the frontlines of the industry via bespoke custody & clearing, advisory, institutional, and SaaS solutions through its Apex Clearing™, Apex Advisor Solutions™, Apex Silver™, and Apex CODA Markets™ brands.

## About Apex Clearing Corporation

Apex Clearing Corporation is a custody and clearing platform that's powering innovation and the future of digital wealth management. Our proprietary enterprise-grade technology delivers speed, efficiency, and flexibility to firms ranging from innovative start-ups to blue-chip brands focused on transformation to capture a new generation of investors. We help our clients provide the seamless digital experiences today's consumers expect with the throughput and scalability needed by fast-growing, high-volume financial services businesses. Founded in 2012, Apex Clearing is registered with the SEC, a member of FINRA and a participant in SIPC.

## Important Information

Investing is speculative, past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. Fluctuations in exchange rates could have adverse effects on the value or price of, or income derived from, certain investments.

The views noted in this report are solely intended for educational and informational purposes only and should not be construed as research, analysis, or a recommendation to buy or sell a particular security or product. Readers of this report should consider whether this information is suitable for their particular investment circumstances and if appropriate, seek professional advice, including tax advice.

This summary data in this report is composed of specific types of accounts that meet certain criteria that clear through Apex (e.g., self-directed individual accounts within a certain age range at a particular point in time). This information may not be reproduced or distributed, in whole or in part, without the express prior written consent of Apex. Further, the information herein is subject to change without notice. The names and logos of financial and other firms referenced herein are not affiliated with Apex.

[www.apexfintechsolutions.com](http://www.apexfintechsolutions.com)

© 2023 Apex Fintech Solutions. 350 N. St. Paul Street Suite 1300 Dallas, TX 75201

All rights reserved.

# Stock Rankings 21-40 Across Generations

**Z**

**M**

**X**

**B**

Rank 12/31/22	Equity	%	Rank Change	Equity	%	Rank Change	Equity	%	Rank Change	Equity	%	Rank Change
21	T	1.0	+1	BA	1.1	+4	F	1.0	-1	DIS	1.1	-4
22	PLTR	1.0	-7	T	1.0	0	V	1.0	+5	HD	1.1	-2
23	SOFI	0.9	-2	O	0.8	+5	BAC	0.9	+3	MO	1.0	-1
24	SBUX	0.9	+3	PYPL	0.8	-3	PFE	0.8	+4	JNJ	1.0	-3
25	BA	0.9	+6	KO	0.8	+4	ABBV	0.8	+4	NFLX	1.0	+1
26	BABA	0.9	-1	F	0.8	0	PYPL	0.7	-1	VZ	0.9	-1
27	JPM	0.9	+2	V	0.8	+3	PLTR	0.7	-5	CVX	0.8	+1
28	JNJ	0.8	0	JPM	0.7	+7	JNJ	0.7	+2	INTC	0.7	+1
29	PYPL	0.7	-5	SQ	0.7	+2	MRNA	0.6	+16	V	0.7	+3
30	V	0.7	0	SHOP	0.7	+4	VZ	0.6	+5	KO	0.7	+6
31	LCID	0.7	-14	LCID	0.7	-13	LCID	0.6	-13	MRK	0.7	+15
32	ABBV	0.7	+2	JNJ	0.6	+1	MA	0.6	+2	EPD	0.6	-1
33	NKE	0.7	+9	BAC	0.6	-1	RIVN	0.6	-14	QCOM	0.6	-3
34	INTC	0.6	-1	MA	0.6	+7	WMT	0.6	-2	TSM	0.6	+4
35	GNW	0.6	+13	SBUX	0.6	+3	SQ	0.6	-4	MA	0.6	+5
36	WMT	0.6	-4	INTC	0.6	+1	JPM	0.6	+5	WMT	0.6	-2
37	PFE	0.6	-1	DAL	0.6	+2	INTC	0.6	-4	IBM	0.6	+2
38	BAC	0.6	-1	WMT	0.6	-2	SBUX	0.6	-2	SOFI	0.6	-1
39	TGT	0.5	-1	ABNB	0.6	-12	SHOP	0.6	-1	CSCO	0.6	+6
40	HD	0.5	0	PFE	0.6	+2	KO	0.6	0	MCD	0.6	+4

% = The percentage of holdings within the top 100 stocks held by each generation

Rank Change = Rank change from 9/30/22

# Stock Rankings 41-60 Across Generations

**Z**

**M**

**X**

**B**

Rank 12/31/22	Equity	%	Rank Change	Equity	%	Rank Change	Equity	%	Rank Change	Equity	%	Rank Change
41	SHOP	0.5	+9	ABBV	0.6	+4	CCL	0.6	+8	GE	0.5	+7
42	VZ	0.5	+2	VZ	0.6	+1	TSM	0.6	+5	C	0.5	0
43	SQ	0.5	0	HD	0.6	-3	CVX	0.6	+7	SBUX	0.5	+4
44	MCD	0.5	+1	MRNA	0.5	+12	O	0.5	-2	WFC	0.5	-3
45	CVX	0.5	+13	TSM	0.5	+7	AAL	0.5	-6	BABA	0.5	-2
46	TSM	0.5	+17	RIVN	0.5	-22	HD	0.5	-3	PYPL	0.5	-13
47	MA	0.5	+5	CCL	0.5	+6	MO	0.5	+6	NIO	0.5	-20
48	PG	0.5	+13	TGT	0.5	-1	ET	0.5	+3	MRNA	0.5	+10
49	PEP	0.5	+6	AAL	0.5	-1	DAL	0.5	+6	O	0.5	+8
50	TMO	0.4	+3	UBER	0.5	-4	CRM	0.4	+7	UNH	0.4	+2
51	AAL	0.4	-10	ADBE	0.5	+17	GE	0.4	+21	LLY	0.4	+10
52	DAL	0.4	+5	CRM	0.4	-3	OXY	0.4	+2	CRM	0.4	+25
53	ALHC	0.4	-6	CVX	0.4	+9	PG	0.4	+16	ET	0.4	0
54	MRNA	0.4	+18	MULN	0.4	+39	ABNB	0.4	-8	CAT	0.4	+19
55	MULN	0.4	+46	ENPH	0.4	-4	UBER	0.4	+1	UPS	0.4	+4
56	DKNG	0.4	-17	UAL	0.4	+2	UAL	0.4	+5	PEP	0.4	+8
57	CCL	0.4	+3	MO	0.4	+6	GME	0.4	-20	BMJ	0.4	-3
58	UAL	0.4	+1	TMO	0.4	-1	TGT	0.4	+9	PARA	0.4	-8
59	ENPH	0.4	-13	OXY	0.4	-4	C	0.4	+3	LMT	0.4	+10
60	MO	0.4	+4	DKNG	0.4	-16	TTD	0.4	-16	SHOP	0.4	+11

% = The percentage of holdings within the top 100 stocks held by each generation

Rank Change = Rank change from 9/30/22

# Stock Rankings 61-80 Across Generations

Rank 12/31/22	Z			M			X			B		
	Equity	%	Rank Change	Equity	%	Rank Change	Equity	%	Rank Change	Equity	%	Rank Change
61	UPS	0.4	+4	MCD	0.4	+3	MCD	0.4	+9	CMG	0.4	+40
62	ATVI	0.4	+4	PG	0.4	+9	ADBE	0.4	+16	ABT	0.4	-2
63	ADT	0.4	+6	TDG	0.4	+2	WFC	0.4	+3	MU	0.4	-7
64	UNH	0.4	+3	NKE	0.4	+15	EPD	0.4	+4	GM	0.4	-2
65	ET	0.3	+3	COIN	0.4	-15	ENPH	0.4	-6	AAL	0.4	+5
66	ADBE	0.3	+22	TMUS	0.3	+4	MULN	0.3	+35	CCL	0.4	+21
67	MMM	0.3	+4	PEP	0.3	+14	MMM	0.3	+6	AMC	0.4	-32
68	ABNB	0.3	-17	MMM	0.3	+7	AVGO	0.3	+12	SO	0.4	-2
69	RBLX	0.3	-20	MMAT	0.3	+32	CRON	0.3	-4	KHC	0.3	+7
70	RIVN	0.3	-35	ET	0.3	+4	CSCO	0.3	+9	NEE	0.3	-2
71	LMT	0.3	+11	GE	0.3	+19	QCOM	0.3	+3	PM	0.3	+23
72	IBM	0.3	+4	SNDL	0.3	-5	NKE	0.3	+24	NLY	0.3	+23
73	UBER	0.3	+1	RTX	0.3	+11	UNH	0.3	+4	TGT	0.3	-1
74	GM	0.3	+5	CHPT	0.3	-15	AGNC	0.3	+27	DUK	0.3	0
75	SNAP	0.3	0	LMT	0.3	+16	COIN	0.3	-27	BP	0.3	+4
76	WM	0.3	+5	AGNC	0.3	+25	NCLH	0.3	0	CVS	0.3	-11
77	AGNC	0.3	+24	NCLH	0.3	+3	BP	0.3	+7	MMM	0.3	+5
78	CHPT	0.3	-16	ATVI	0.3	-1	PLUG	0.3	-26	ADBE	0.3	+14
79	NEE	0.2	+6	RBLX	0.3	-18	IBM	0.3	+6	TTD	0.3	-28
80	RTX	0.2	+12	QCOM	0.3	-7	RBLX	0.3	-17	GILD	0.3	+16

% = The percentage of holdings within the top 100 stocks held by each generation

Rank Change = Rank change from 9/30/22

# Stock Rankings 81-100 Across Generations

**Z**

**M**

**X**

**B**

Rank 12/31/22	Equity	%	Rank Change	Equity	%	Rank Change	Equity	%	Rank Change	Equity	%	Rank Change
81	VICI	0.2	+5	SPG	0.3	+15	CAT	0.3	+18	KMI	0.3	-1
82	CSCO	0.2	+9	PLUG	0.3	-22	MRK	0.3	+16	OXY	0.3	-7
83	SPG	0.2	+11	WFC	0.3	-5	DKNG	0.3	-23	DAL	0.3	+8
84	CRM	0.2	-1	NOW	0.3	-8	PEP	0.3	+3	ENB	0.3	-3
85	WFC	0.2	-1	NEE	0.2	+2	CMG	0.3	+8	CME	0.3	-7
86	COIN	0.2	-32	SCHW	0.2	+11	GM	0.3	-5	SQ	0.3	-3
87	AXP	0.2	+2	TTD	0.2	-21	CHPT	0.3	-23	AMGN	0.3	+10
88	SNDL	0.2	-11	IBM	0.2	+11	LLY	0.3	+13	DVN	0.3	+10
89	CRSR	0.2	+1	LUV	0.2	0	LMT	0.3	+12	RIVN	0.3	-40
90	GE	0.2	+11	SPGI	0.2	+5	UPS	0.3	0	AGNC	0.3	+11
91	CAT	0.2	+10	PINS	0.2	-6	RCL	0.3	+10	LOW	0.3	-2
92	SONY	0.2	+7	RCL	0.2	+9	SNOW	0.3	-17	ORCL	0.3	+9
93	TCEHY	0.2	+8	UNH	0.2	+1	SCHW	0.3	-2	BX	0.3	0
94	MRK	0.2	+7	SNOW	0.2	-22	CRWD	0.2	-23	FCX	0.3	-10
95	TMUS	0.2	+6	ETSY	0.2	+6	LUV	0.2	-7	RTX	0.3	+6
96	SPGI	0.2	+5	TLRY	0.2	-4	MU	0.2	-13	AMAT	0.3	+3
97	BP	0.2	+4	ALLY	0.2	+4	TMO	0.2	-8	COP	0.3	+4
98	EPD	0.2	+3	C	0.2	+3	TMUS	0.2	+3	AVGO	0.3	+3
99	TDG	0.2	+2	EPD	0.2	+2	RTX	0.2	+2	ALLY	0.3	-14
100	IPI	0.2	-20	CRWD	0.2	-31	SNDL	0.2	-14	PLTR	0.3	-33

% = The percentage of holdings within the top 100 stocks held by each generation  
 Rank Change = Rank change from 9/30/22