

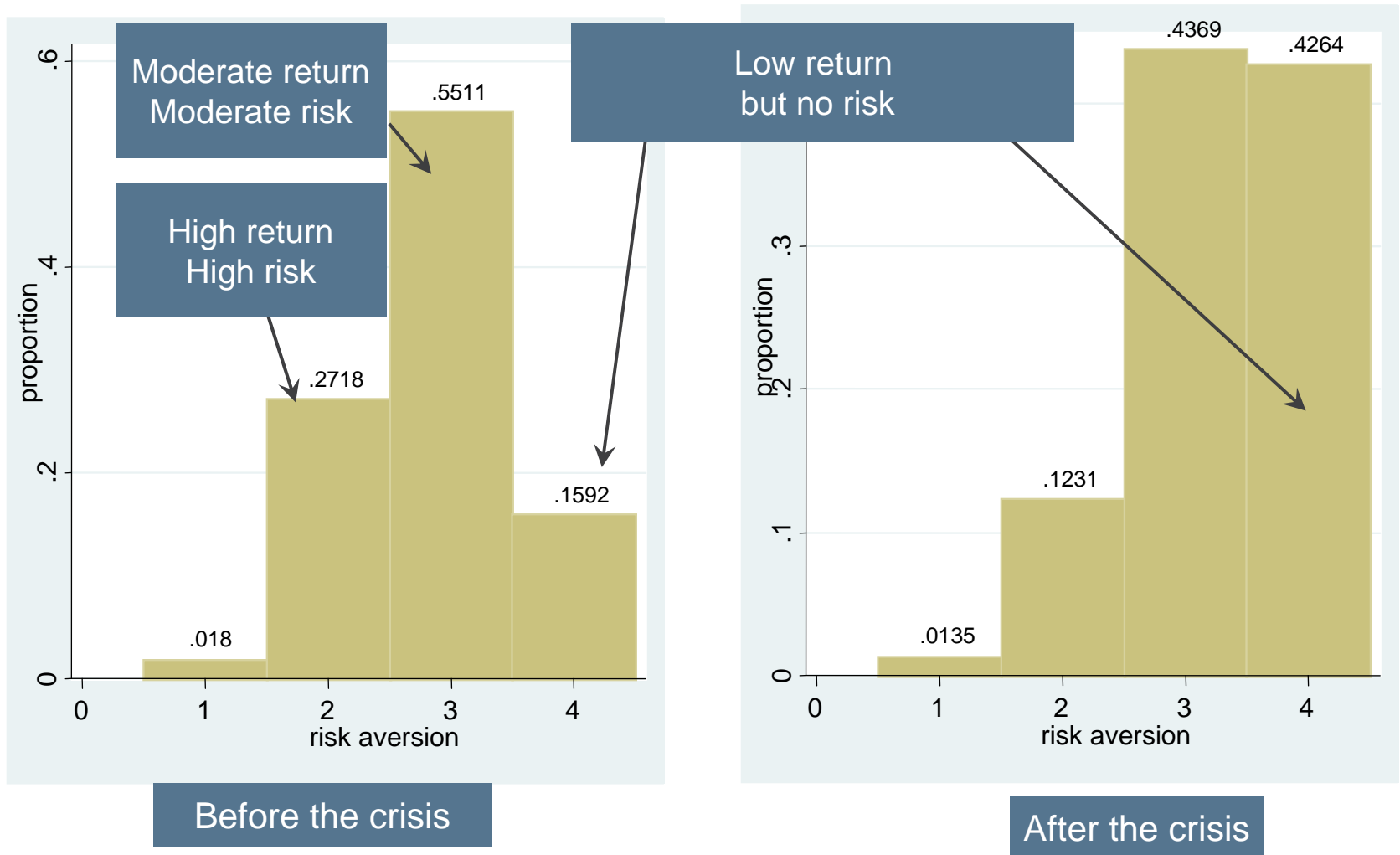
Keys to Addressing Investors' Needs and Expectations

The European Colloquia Series, London 2010

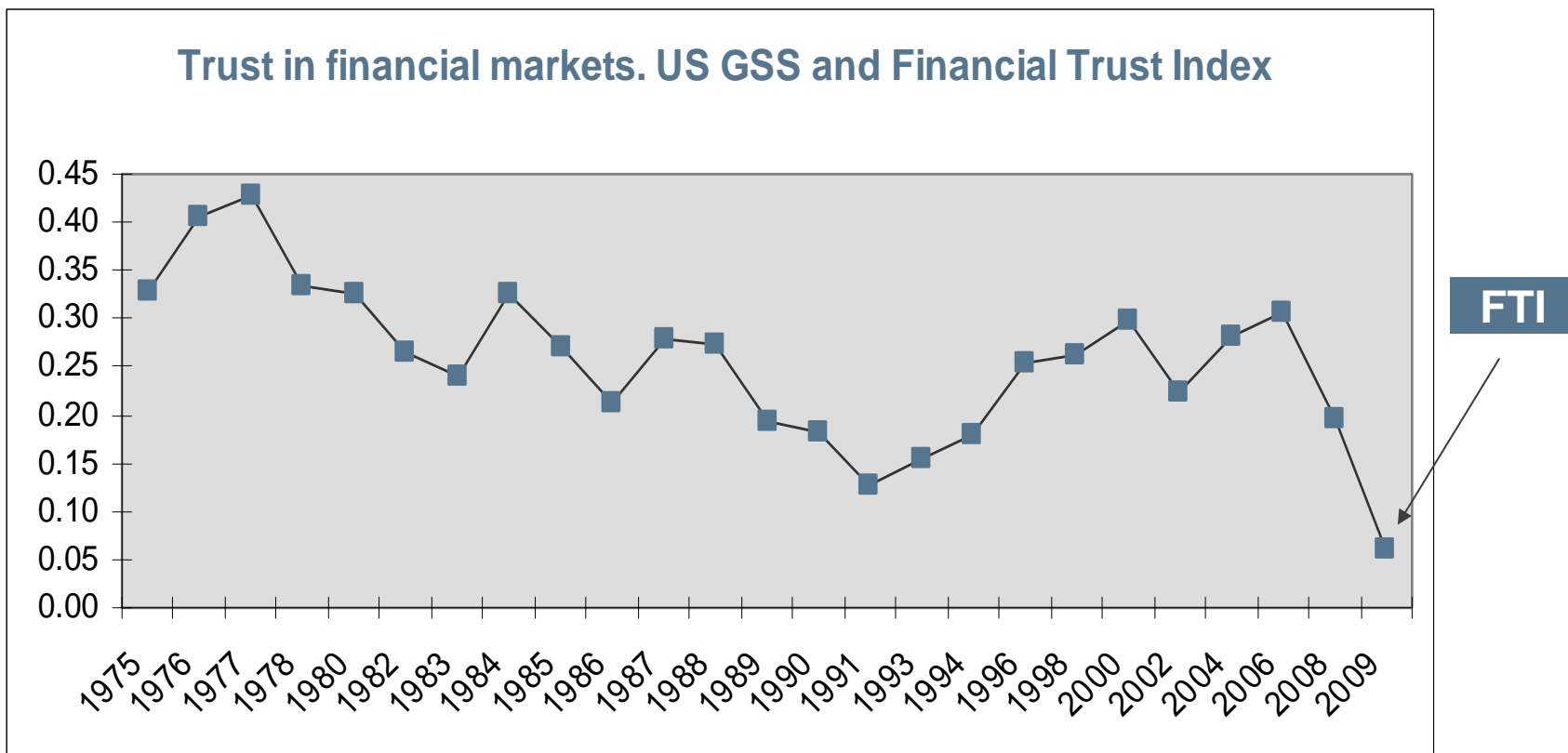
Luigi Guiso, Professor of Economics at the European University Institute



Two major changes brought about by the crisis: N. 1: Risk aversion has increased dramatically



N. 2: Trust in financial intermediaries and markets has collapsed



No complete historical data

Combine GSS data with Financial Trust Index survey

Never since 1975 trust on intermediaries has been as low as at the end of 2008 and beginning of 2009; only 5% have full trust in banks, brokers, mutual funds or the stock market