

MARKET SIGHT LINES



Our Long-Term Investment Themes: Stifel Summer Interns Weigh In

By Michael O'Keeffe, *Chief Investment Officer*



Each summer, Stifel, like many firms, has the good fortune to welcome in a cohort of interns, typically college students exploring a career in financial services. During their time here, we educate the group on our firm, how we serve clients, and various professional roles that may be of interest. The interns split their time between professional training, large group projects, and more focused assignments from individual Stifel teams, making meaningful contributions. Another benefit to Stifel? Each intern class typically brings fresh perspectives on our industry and the world at large. This year, we decided to draw on these views through our [2023 Summer Intern Survey](#), a set of questions aligned with our recent report: [From Vision to Value: Our Long-Term Investment Themes](#).

In this Sight|Lines, we share insights from our 2023 Summer Intern Survey, and how they relate to our long-term investment themes.

THE TAKEAWAY: STIFEL INTERNS ARE A REFLECTION OF THE NEW CONSUMER.

Among our five investment themes, *The New Consumer* focuses on the next generation. Our interns' preferences and habits offer helpful insights related to this theme. In summary:

- The group generally values in-person experiences, like attending concerts or sporting events, shopping at stores, picking up groceries, and working at the office.
- Most rarely use cash, indicating we may be well on our way to a cashless society.
- The vast majority of our interns invest and are optimistic about the markets looking forward.
- Many plan to purchase a car when they graduate and a home in the next 10 years.
- Many interns see climate change as a big threat, and some are willing to change their personal habits to help.
- The group is brand-focused, illustrating the potential for retail and entertainment companies to win over the next generation.

Long-term investment themes help us understand how the world, the economy, and the markets evolve over time.

IN-DEPTH: STIFEL INTERNS EXHIBIT HABITS AND PREFERENCES CONSISTENT WITH A NUMBER OF OUR INVESTMENT THEMES, ESPECIALLY THE NEW CONSUMER.

Our investment themes are *The Fourth Industrial Revolution*, *Securing Strategic Resources*, *Shifting Demographics*, *The New Consumer*, and *Productive Competition*. The next generation, such as our summer interns, plays a key role in many of these themes, especially *The New Consumer*. Going deeper:

- The group generally values in-person experiences, but digital experiences are popular too:
 - 54% are unlikely to attend a virtual entertainment event, like a concert or Broadway show, preferring an in-person experience. Nearly half are interested in the virtual experience.
 - About half of the group prefers shopping in-store, and the other half prefer online shopping. One exception? 91% of the group shops in-store for groceries, and 52% do not use a meal delivery service.
- Most rarely use cash:
 - 70% rarely or never use cash.
 - The two most popular payment apps: Venmo (90%) and Apple Pay (51%) are used at least once a month.
- The vast majority of our interns invest:
 - Nearly half invest in stocks, and the rest focus on mutual funds and exchange-traded funds (ETFs).
 - 57% of the group expect stocks to earn an annualized return of 6% or more in the next 10 years.
- Mindset surrounding big ticket items:
 - 82% plan to purchase a home in the next 10 years.
 - Many plan to purchase a car, but only 21% of those intend to buy an electric vehicle.
- Climate change is in focus for some:
 - 43% of our interns see climate change as the biggest threat to society in the next 20 years.
 - Nearly half are willing to change their diet and nearly a third are willing to travel less to help with climate change.
- The group is brand-focused:
 - 44% prefer Instagram for social media, with Tik Tok second at 23%.
 - 75% stream with Netflix, the second most-popular choice was Max (formerly HBO Max) at 46%*.
 - 68% stream music with Spotify, and 58% prefer Nike shoes.
 - Retail and entertainment companies will benefit from winning over the next generation.

CONCLUSION

The 2023 Stifel summer interns are hard at work, learning more about our firm, our industry, our clients, and a potential career in financial services. We at Stifel learn a lot too, as our interns bring fresh perspectives to share. The results of our [2023 Summer Intern Survey](#) have confirmed many of our views related to our thinking we shared recently in [From Vision to Value: Our Long-Term Investment Themes](#).

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* Respondents were asked to select their top two streaming services.

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