

# THE MODERN TRADER

**Traders aren't who they used to be.**

In this report, you'll learn who the 9.6 million online traders are, where they're from and what matters to them.



A report by  
**BROKERNOTES**

# Traders aren't who they used to be

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Being a trader was once synonymous with having an extravagant lifestyle in the heart of London or New York. Today's trader is different - she's more likely to drive a Toyota in Manchester than a Lamborghini in London. And yes, trading is no longer exclusively a boys' club.

This report demystifies who the 9.6 million online traders are, where they're from and what matters to them.

Over the past four years, we've collected data on over half a million traders, enabling us to produce one of the most comprehensive studies on online traders ever produced. We hope you find the insights we've collected and summarised in this report interesting and informative.

If you have any questions about this report, feel free to email us at:  
[info@brokernotes.co](mailto:info@brokernotes.co)



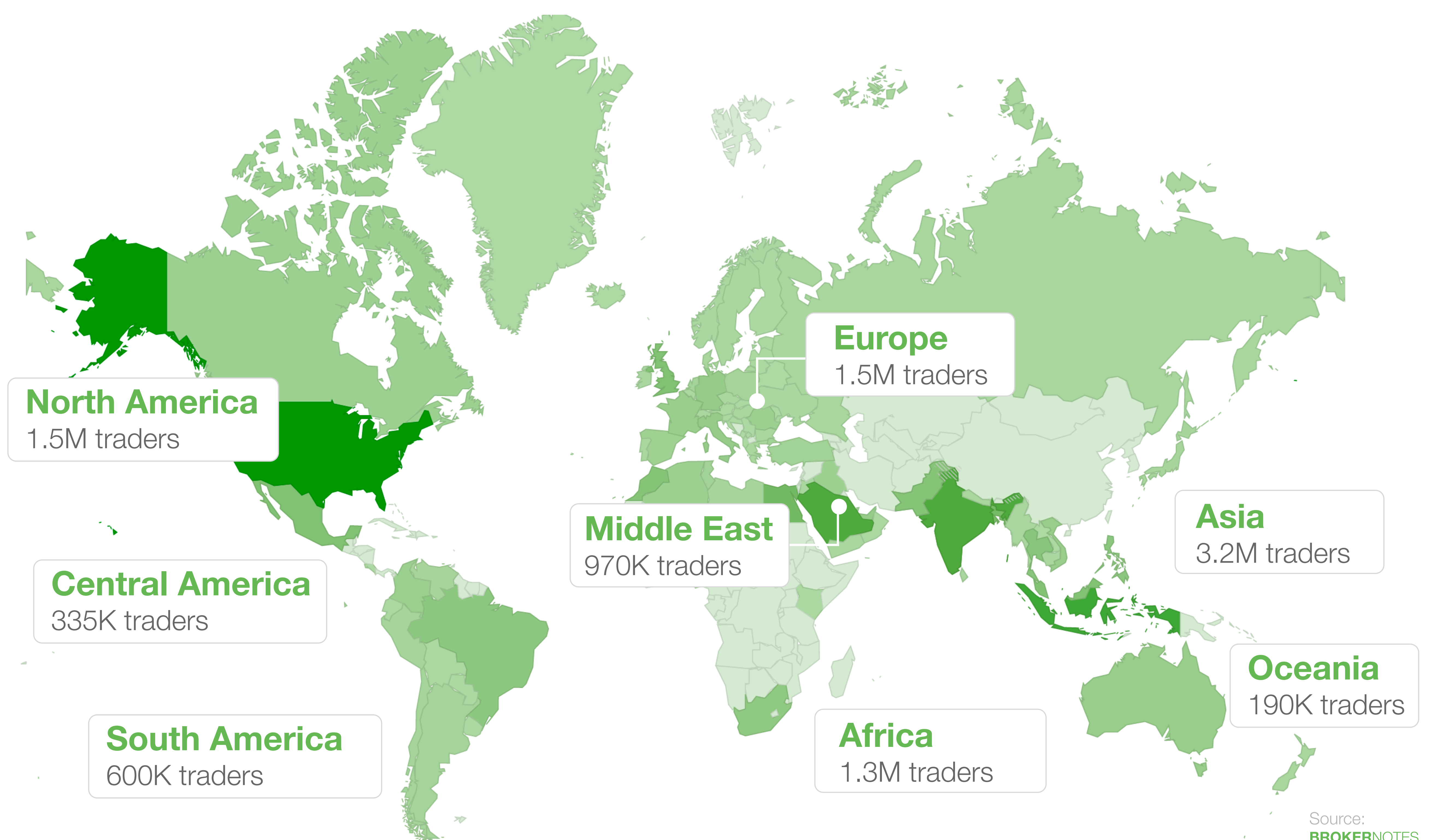
## Part 1: Where

# 9.6 million people are interested in online trading

**1 out of 781** people on the planet trade online - but where on Earth are they?

You'd be forgiven for assuming that the majority of traders might live near a financial centre like London, New York, or Hong Kong - but you'd be wrong.

The Internet has decentralised trading, empowering virtually anyone with an Internet connection to trade online. Today, over 95% of online traders live outside of a major financial centre, with a third of all traders being based in Asia or the Middle East<sup>1</sup>.



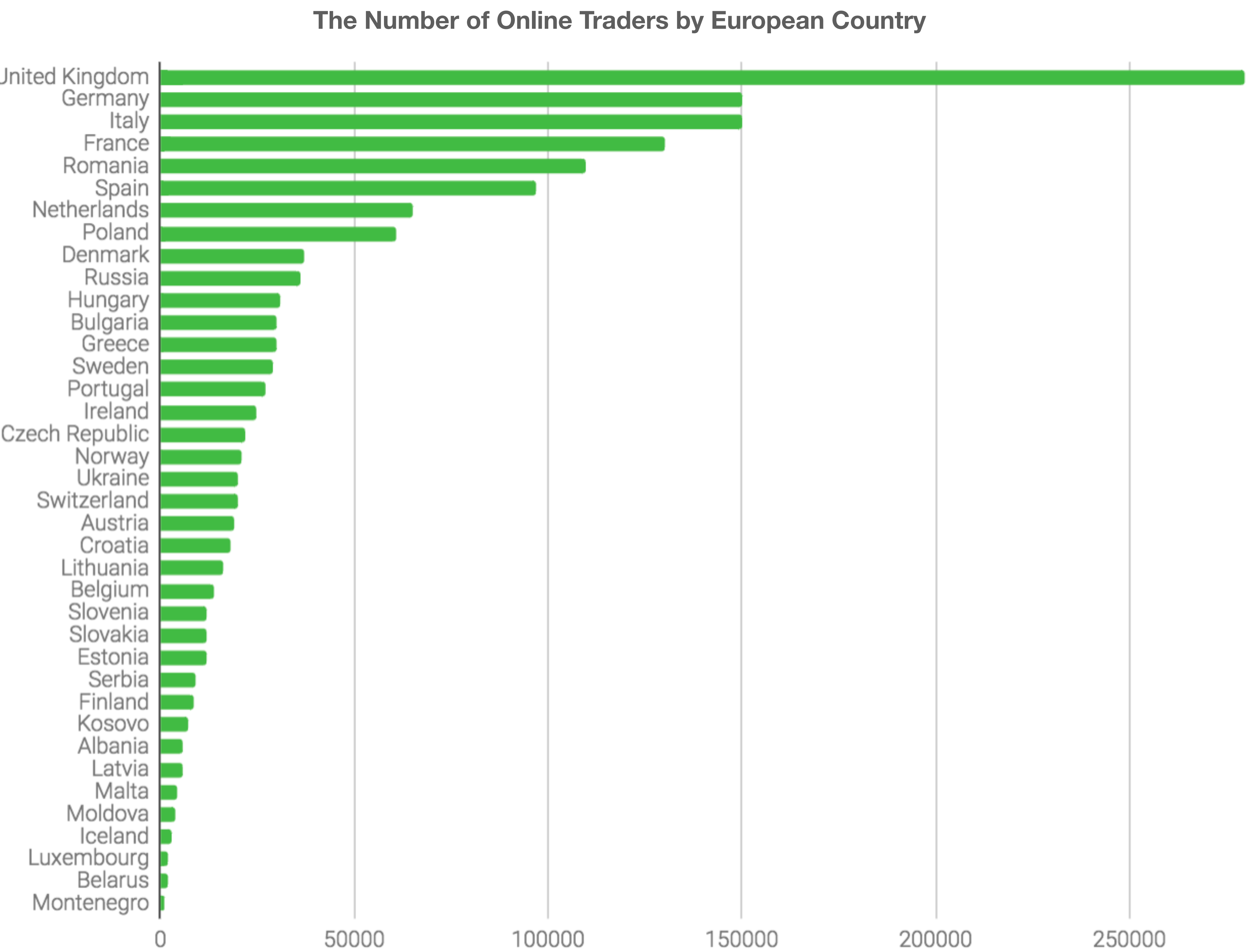
1. See Appendix A for raw data on the number of online traders by continent/region



# The UK has the most online traders in Europe

With more than 280,000 online traders, the UK has almost twice as many online traders as any other European country<sup>2</sup>.

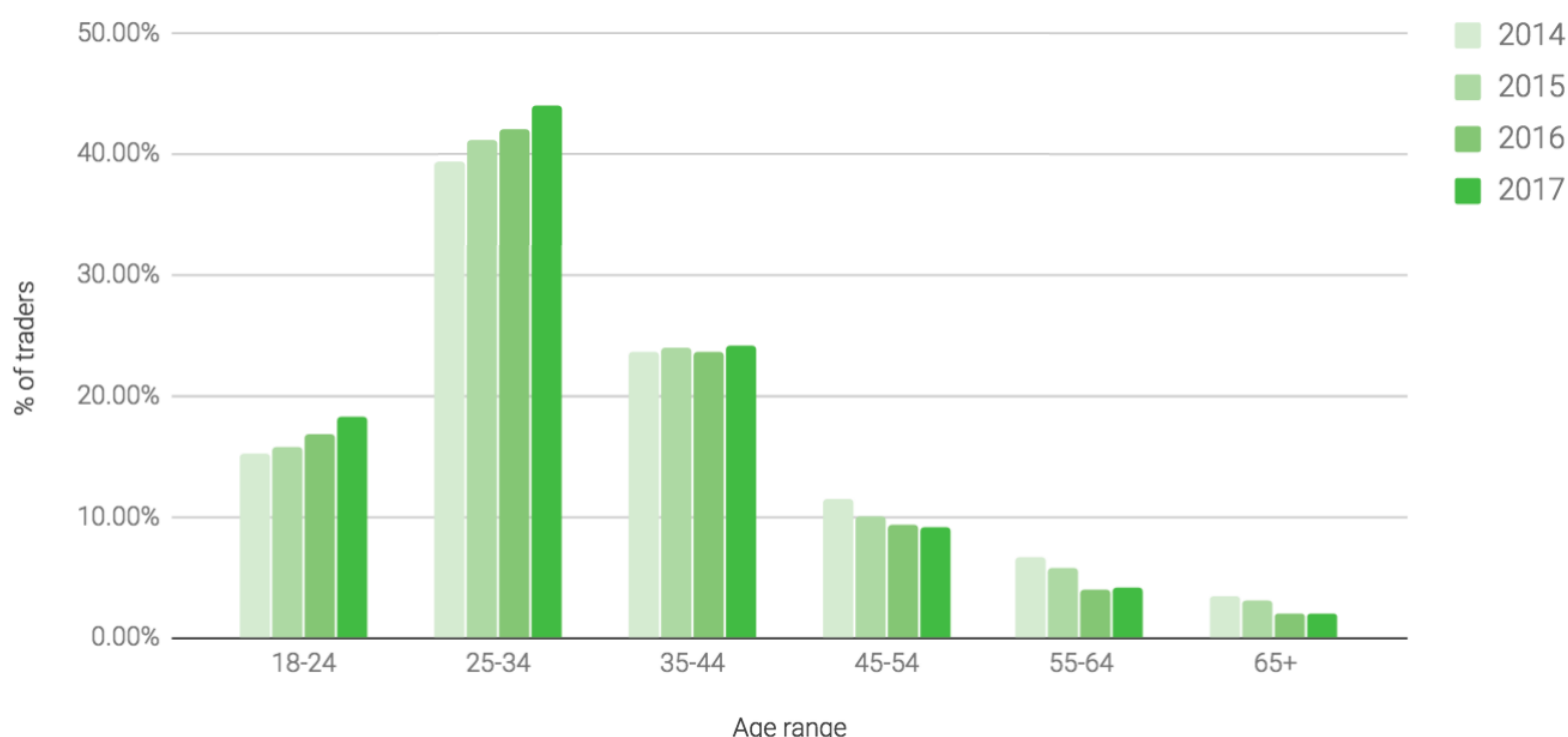
If the entire UK population huddled into London Underground tube carriages, you’d find approximately one trader on every carriage. But you’d be very unlikely to find many British online traders frequenting the London Underground, as 60% of them live and work outside of London.



2. See Appendix B for raw data on the number of online traders by European country

# Younger people are getting into online trading

18-34 year olds represent over 65% of all online traders. As shown in the graph below, the percentage of traders under the age of 34 has increased year-on-year since 2014, while the percentage of traders over the age of 45 has declined<sup>3</sup>.



The rising popularity of online trading among 18-34 year olds is likely the result of an increase in mainstream marketing of online trading to younger audiences.

Other contributing factors:

- **A lower barrier to entry** - Trading used to require large amounts of specialised knowledge. Today, anyone can copy the trading activity of an experienced trader through brokers that offer social/copy trading.
- **The rise of cryptocurrency trading** - Over 75% of cryptocurrency traders are aged 18-34, suggesting that cryptocurrencies, such as Bitcoin and Ethereum, are attracting a younger demographic to online trading.

3. See Appendix C for raw data on online traders by age range

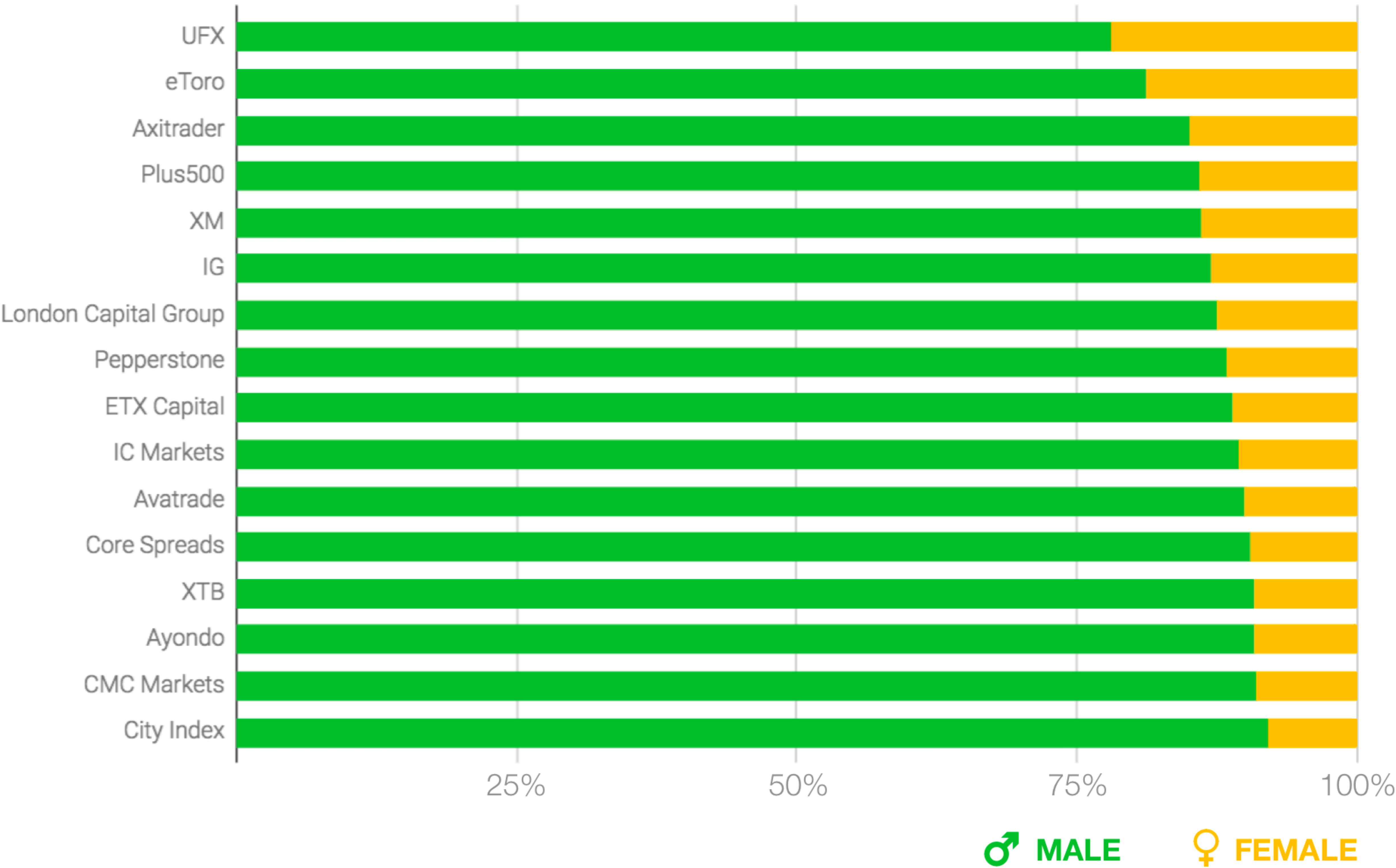


# Women are breaking into online trading

1 in 10 online traders in the UK are female. Women are more inclined to use an online broker that offers social trading, binary options, or spread betting compared to men. They’re also more likely to trade stocks and commodities than men, and less likely to trade forex<sup>4</sup>.

## Which online brokers do women prefer?

We compared the percentage of male to female visitors across more than 1,000 broker-related pages on the BrokerNotes website to find out which brokers had the highest percentage of females considering them. Among all of the brokers featured on BrokerNotes, UFX and eToro had the highest proportion of females who were considering them as a brokerage service.

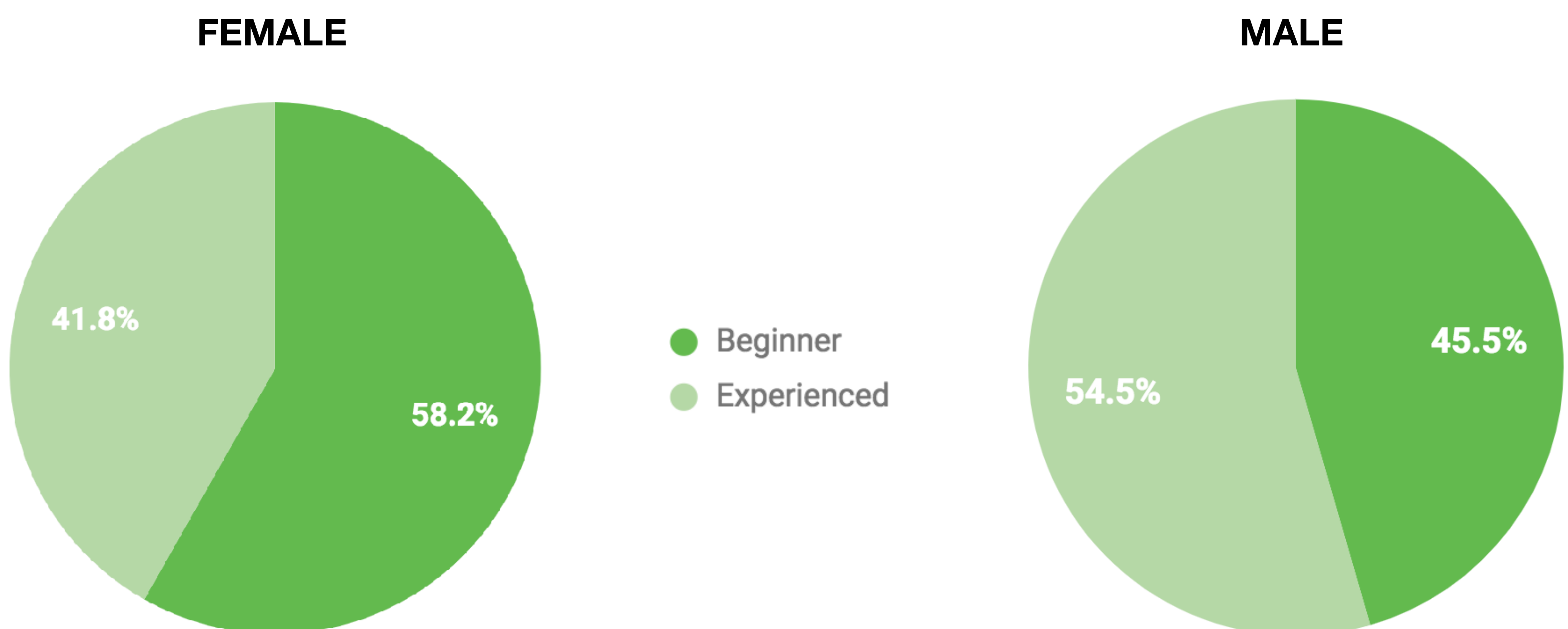


4. See Appendix D for raw data on preferred online trading styles by gender  
5. See Appendix E for raw data on the percentage of male to female visitors by brokerage service

# Are women better than men at trading?

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We asked more than 26,000 traders to classify themselves as either a beginner or experienced trader. 58% of women classified themselves as a beginner, while only 46% of men classified themselves as a beginner.

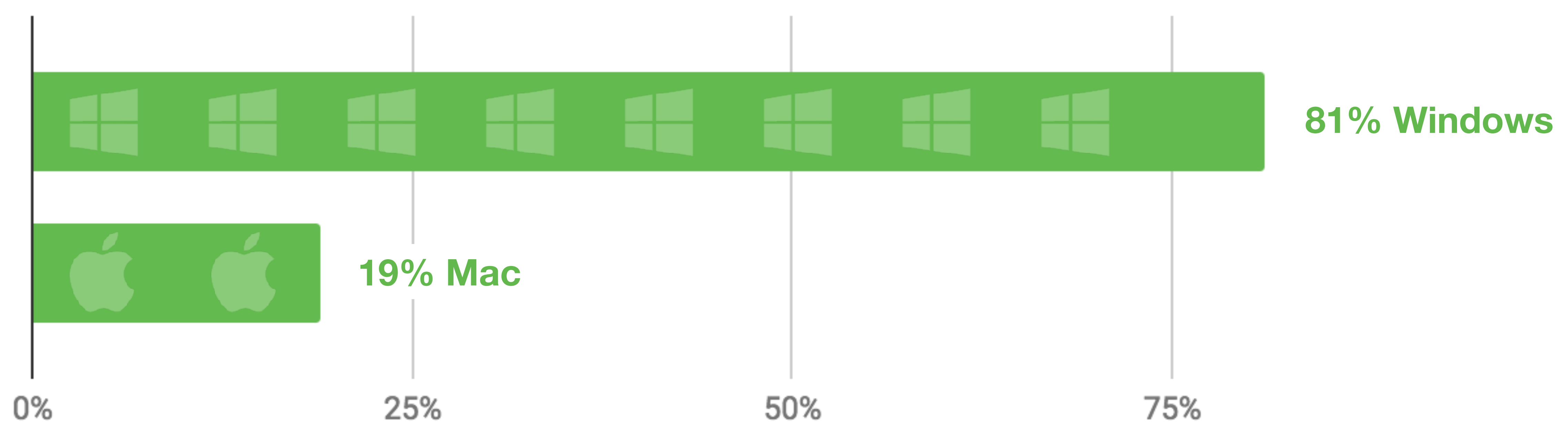


9 out of 10 online traders are male, but that doesn't necessarily make men better traders than women. A study<sup>6</sup> conducted by behavioural economists Terrence Odean and Brad Barber found that males traded 45% more frequently than females, and that this hyperactive trading led to a 2.65% reduction in net returns per year, compared to 1.76% for women.

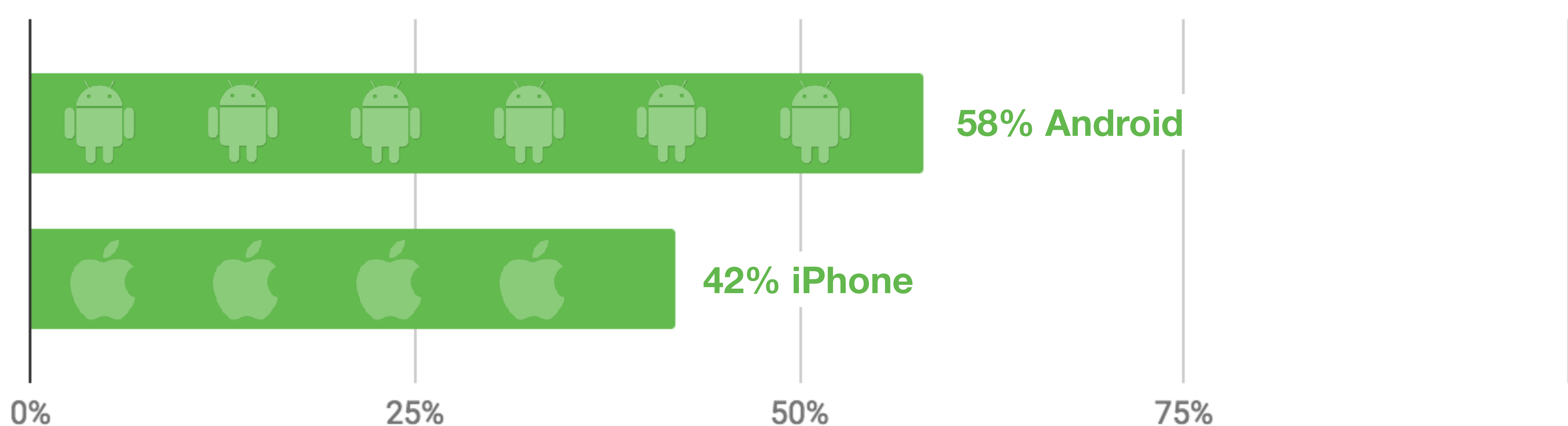
6. Barber, B. and Odean, T. (2011). The Behavior of Individual Investors. *SSRN Electronic Journal*: <http://faculty.haas.berkeley.edu/odean/papers%20current%20versions/behavior%20of%20individual%20investors.pdf>

# You won't find traders at the Apple Store

Despite Apple's rising market share in the desktop computer market, 81% of traders still choose a Windows PC over a Mac. This is likely driven by the popularity of numerous trading platforms that are built primarily for the Windows operating system.



When it comes to mobile devices, traders show a slight preference for non-Apple devices, with the majority of traders (58%) owning an Android mobile device. We identified the Samsung Galaxy S7 Edge as being the most popular device model among online traders.

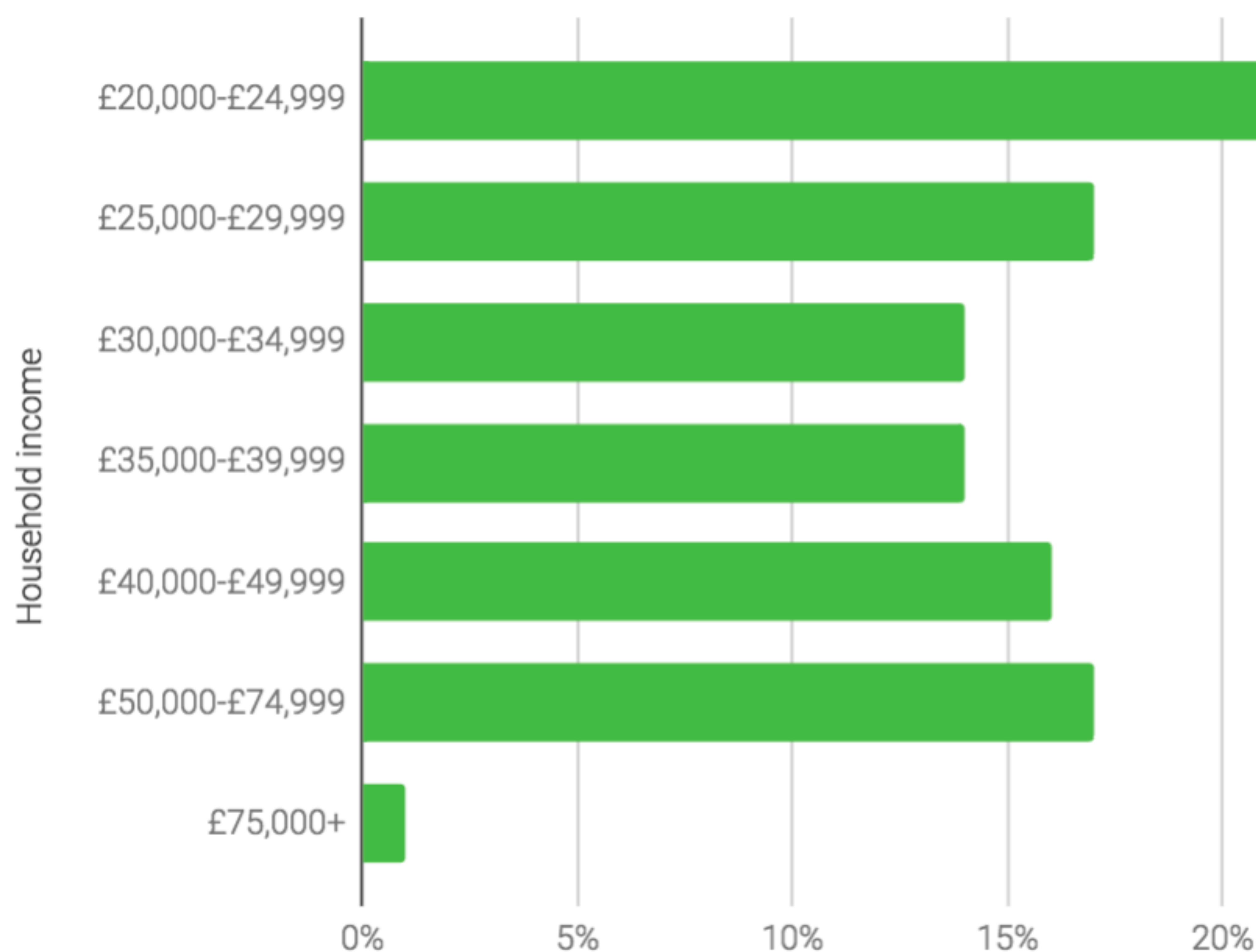




# The average online trader in Britain earns £38,700 PA

Traders come in all shapes and sizes, and their incomes are no different. We found that, despite their association with high incomes, most online traders earn a modest income - averaging £38,700.

Less than 1% of online traders in the UK have an income above £75,000, while more than 20% fall within our lowest identified income bracket of £20,000 - £24,999<sup>7</sup>.

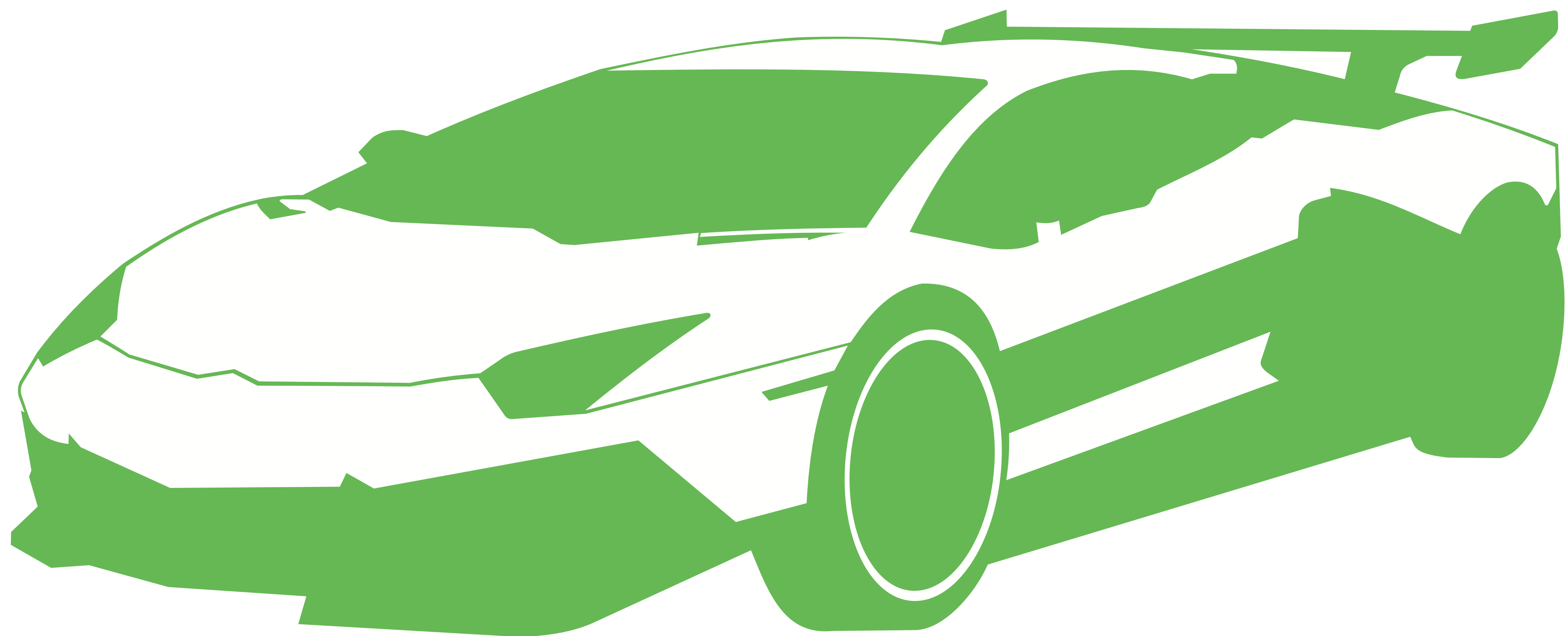


7. See Appendix F for raw data on UK online traders by annual income bracket

# Traders drive Toyotas (not Ferraris & Lamborghinis)

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The most popular luxury car brand among UK traders is Lamborghini. But with an average annual salary of £38,700 it should be unsurprising that less than 0.3% of traders in the UK own or lease a luxury car<sup>8</sup>.



To put this into perspective, a trader would need to put aside more than a third of their income for almost 10 years to be in a position to purchase a basic Lamborghini Gallardo.

So, what cars do traders typically drive? More than 25% of UK traders drive a basic, small, or low-end car, with Toyota being the most popular car brand.

8. See Appendix G for raw data on UK traders by car type



# What are the implications of the modern trader?

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The Internet and online trading services have enabled anyone, anywhere, to become a trader. By democratising who can trade, online trading services are accelerating the level of diversity among traders to a point where traders no longer fit a stereotypical profile.

This shift in characteristics presents enormous opportunities for technology providers, brokerages, and other firms interacting with retail clients. Numerous brokerages are capitalising on the increased online trading activity in emerging Asian countries, while others proactively adopt cryptocurrencies and modern trading platforms to attract the younger generations.

Retail trading is undeniably going through a major shift that will only continue to accelerate as billions of additional people come online over the next decade. The question to ask is - what could this mean for you?

# Appendix

## Appendix A: The Number of Online Traders by Continent/Region

Continent/Region	Approx. number of online traders
Asia	3,200,000
North America	1,500,000
Europe	1,500,000
Africa	1,300,000
Middle East	970,000
South America	600,000
Central America	335,000
Oceania	190,000

\*Data source: [facebook.com](https://www.facebook.com)



Appendix B: The Number of Online Traders by European Country

Rank	Country	Approx. number of online traders
1	United Kingdom	280,000
2	Germany	150,000
3	Italy	150,000
4	France	130,000
5	Romania	110,000
6	Spain	97,000
7	Netherlands	65,000
8	Poland	61,000
9	Denmark	37,000
10	Russia	36,000
11	Hungary	31,000
12	Bulgaria	30,000
13	Greece	30,000
14	Sweden	29,000
15	Portugal	27,000
16	Ireland	25000
17	Czech Republic	22,000
18	Norway	21,000
19	Ukraine	20,000
20	Switzerland	20,000
21	Austria	19,000
22	Croatia	18,000
23	Lithuania	16,000
24	Belgium	14,000
25	Slovenia	12,000
26	Slovakia	12,000
27	Estonia	12,000
28	Serbia	8,900
29	Finland	8,400
30	Kosovo	7,300
31	Albania	6,000
32	Latvia	6,000
33	Malta	4,500
34	Moldova	3,800
35	Iceland	2,700
36	Luxembourg	2,100
37	Belarus	1,900
38	Montenegro	1,100

\*13 European countries are not listed above as they have fewer than 1,000 traders

\*\* Data source: [facebook.com](https://www.facebook.com)

Appendix C: Online Traders by Age Range

Year	18-24	25-34	35-44	45-54	55-64	65+
2014	15.30%	39.34%	23.62%	11.52%	6.77%	3.42%
2015	15.83%	41.22%	23.94%	10.12%	5.83%	3.06%
2016	16.94%	42.02%	23.62%	9.37%	4.07%	2.12%
2017	18.26%	44.05%	24.16%	9.21%	4.16%	2.02%

\* Sample size: ~495,000 traders  
\*\* Data sources: BrokerNotes' web analytics, [facebook.com](https://www.facebook.com)

Appendix D: Preferred Online Trading Style by Gender

Trading Style	Male	Female
Forex Trading	30.71%	29.46%
Day Trading	19.42%	16.45%
CFD Trading	16.04%	14.84%
Spread Betting	12.43%	14.46%
Investing	7.81%	8.80%
Futures Trading	5.09%	4.36%
Social Trading	4.60%	5.89%
Binary Options	3.89%	5.74%

\* Sample size: 12,807 traders  
\*\* Data source: BrokerNotes' web analytics



Appendix E: The Percentage of Male to Female Visitors by Brokerage Service

Broker	Male	Female
UFX	78.04%	21.96%
eToro	81.10%	18.90%
Axitrader	85.09%	14.91%
Plus500	85.98%	14.02%
XM	86.14%	13.86%
IG	86.91%	13.09%
London Capital Group	87.41%	12.59%
Pepperstone	88.38%	11.62%
ETX Capital	88.93%	11.07%
IC Markets	89.39%	10.61%
Avatrade	89.93%	10.07%
Core Spreads	90.41%	9.59%
XTB	90.74%	9.26%
Ayondo	90.76%	9.24%
CMC Markets	90.94%	9.06%
City Index	92.03%	7.97%

\* Data source: BrokerNotes’ web analytics

Appendix F: UK Online Traders by Annual Income Bracket

Annual Income	% of UK Traders
£20,000-£24,999	21%
£25,000-£29,999	17%
£30,000-£34,999	14%
£35,000-£39,999	14%
£40,000-£49,999	16%
£50,000-£74,999	17%
£75,000+	1%

\* Data source: [facebook.com](#)

Appendix G: UK Online Traders by Car Type

Car Type	% of UK Traders
No Car	22%
Basic Car	25.7%
Sports Car	52%
Luxury Car	0.3%

\* Data source: [facebook.com](#)