



## **T. Rowe Price Financial Education Survey Reveals Parents Grade Themselves 'B-' on Understanding of Basic Saving and Investing Principles**

### **--Parents See Room for Improvement on Personal Financial Knowledge, With the Majority Feeling They Could Be Doing More to Leverage Teachable Moments and Equip Kids with Financial Competence**

BALTIMORE, July 21, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- School is out and parents' report cards are in... According to the T. Rowe Price Parents, Kids & Money Survey, parents on average grade themselves a B- when it comes to their total understanding of basic saving and investing concepts such as setting goals, the importance of saving, spending smartly, inflation, and diversification. The study of 504 moms and dads nationwide also revealed that 60 percent of parents feel that financial discussions do not happen nearly enough, and more than half are worried they could be doing more to prepare their children to be financially competent by the time they turn 18.

The survey coincides with the recent launch of The Great Piggy Bank Adventure(SM), two interactive financial education and entertainment experiences created by T. Rowe Price in collaboration with Walt Disney Imagineering and Walt Disney Parks and Resorts Online. The Great Piggy Bank Adventure(SM), which offers lessons on goal-setting, saving and spending wisely, staying ahead of inflation, and diversifying your assets, comes to life through an online board game at [www.thegreatpiggybankadventure.com](http://www.thegreatpiggybankadventure.com) and through a hands-on, interactive experience at INNOVENTIONS at Epcot(R) at the Walt Disney World(R) Resort in Florida.

"The survey confirms that parents want to impart sound financial values to their children, but they do not always have the tools or feel knowledgeable enough to teach them," said Stuart Ritter, CFP(R), a financial planner with T. Rowe Price. "We have a long history at T. Rowe Price of educating investors, and The Great Piggy Bank Adventure(SM) enables us to educate families on core financial principles while also providing parents with teachable moments that will empower them to talk to their kids about the basics of personal finance and involve them more in family financial matters."

Although the current economic conditions have served as a catalyst to encourage nearly half of parents to have more conversations with their kids about money, the survey revealed that more than half of parents feel they have to periodically reinforce money lessons because their kids quickly forget them.

Regular occurrences such as giving an allowance, shopping together, getting birthday money, or balancing a checkbook are ideal times to impart basic financial lessons, especially around setting goals and spending wisely, Ritter says. However, according to the survey, most parents do not always leverage these occasions. Nearly half of parents neglect to utilize receiving money as a gift as a teachable moment and the majority do not always capitalize on shopping or grocery store trips as opportunities to have a conversation about money and finances. In addition, 41% of parents who give their children an allowance report that they always or sometimes come back for more money after it runs out.

Other survey findings include:

- Piggy Banks Help Teach Kids About Money -- 85% of parents report that their child has a piggy bank, and nearly all say that having one sets a good example about the importance of saving. A majority of parents say the decision to take money out is shared, while nearly a third say the decision rests with the child alone.
- Financial Conversations are a Shared Responsibility -- More than two-thirds of parents say that speaking to children about money is a shared responsibility. However, when one parent is solely responsible, the task falls to Mom nearly two-thirds of the time.

To further parents' financial education and empowerment, T. Rowe Price has also created a new Family Center section of the firm's website. The T. Rowe Price Family Center features real-life stories from parents about how they are taking the financial lessons they learned at an early age and are passing them on to their children. Available at

[www.troweprice.com/trowefamilycenter](http://www.troweprice.com/trowefamilycenter), the site also serves as a gateway to The Great Piggy Bank Adventure(SM) online board game and links to T. Rowe Price financial tools, calculators, and investment information.

The T. Rowe Price Parents, Kids & Money Survey was conducted online by MarketTools, Inc. among parents of children ages 8 to 14, capturing parents' attitudes and behaviors toward teaching their children about money. The study has a sample size of 504 and the margin of error is +/- 4.4%. The study was fielded April 17 to 21, 2009. Full survey statistics are available.

Founded in 1937, Baltimore-based T. Rowe Price (Nasdaq: TROW) is a global investment management organization with \$268.8 billion in assets under management as of March 31, 2009. 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. More information is available at [www.troweprice.com](http://www.troweprice.com).

INNOVENTIONS is located in the heart of Epcot(R) at the Walt Disney World(R) Resort in Lake Buena Vista, Florida. Creativity and imagination abound as guests celebrate inspiration and the innovations that improve their lives and expand their horizons. Hands-on, interactive exhibits allow children and adults to be immersed into ideas that inform, entertain and inspire - conquer the most dangerous house in America, find solutions to "sticky" problems, experience the most cutting edge products at the "House of the Future," protect the environment from the daily waste we create and push the limits of everyday products as we make the world a safer place. For more information on INNOVENTIONS, visit [www.innoventions.disney.com](http://www.innoventions.disney.com) or contact Stacia Wake at [Stacia.l.wake@disney.com](mailto:Stacia.l.wake@disney.com).

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