



NEWS RELEASE

Ameriprise Study: Generation X Confident They're Saving, Investing Enough for Retirement

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Overwhelming majority of Gen Xers started saving and investing early – health, wealth and work are top priorities heading into retirement

MINNEAPOLIS--(BUSINESS WIRE)-- Ameriprise Financial (NYSE:AMP), today released the results of the new Retirement 2.0SM study, revealing that the majority of Gen Xers (76%) report proactively planning for their retirement, with eight in 10 (79%) respondents currently saving through a 401(k) plan, and seven in 10 (69%) investing in an IRA or similar account.

The Retirement 2.0 study, which surveyed more than 1,500 Americans between the ages of 35-50 with at least \$100,000 in investable assets, took a comprehensive look at how Gen X is approaching retirement. The study also explored how they have invested and saved for this major milestone; and how they expect to spend their retirement years. Encouragingly, the study found that Gen Xers began planning for retirement early and started saving at the average age of 26. They anticipate relying on their 401(k) accounts (42%) or IRAs (29%) as their main sources of income during retirement, while pensions (14%) and Social Security (5%) are expected to take a back seat as primary sources of retirement funding.

"Having grown up in a different era than their parents and seeing how the landscape has changed, Gen Xers aren't counting on pensions or Social Security to fund their retirement," says Marcy Keckler, vice president of Financial Advice Strategy at Ameriprise. "Instead, they're taking matters into their own hands. They are setting aside money and investing now, while time is still on their side and they're entering their peak earning years."

Willfully Working in Retirement

With retirement on the horizon, Gen X does not plan to say goodbye to work anytime soon. Instead, they plan to continue working in retirement, but in a way that is more meaningful than just earning a paycheck. According to Retirement 2.0, nearly three quarters (73%) of Gen Xers plan to work after they retire; however, the vast majority (90%) see themselves working in a different capacity. While most Gen Xers (91%) admit they like their current profession well enough, it doesn't mean they are completely satisfied with their career. As they transition into the next chapter, Gen Xers will be looking for employment that carries less stress, and is more rewarding. While finances are important to this generation, mental and social interaction will be the driving forces behind their decision to stay in the workplace post-retirement.

Gen X: Top 5 Preferences for Transitioning to a New Profession in Retirement

1. Working part-time only (53%)
2. Working as a consultant (27%)
3. Working in my own business (20%)
4. Working in a home-based business (16%)
5. Working in a seasonal position (9%)

Redefining Retirement with New Expectations

For Gen X, it's out with the old perceptions of retirement and in with a new vision of what retirement should look like. An overwhelming majority (90%) of Gen Xers see their own retirement taking a different path than the "traditional" approach. Instead of living in a retirement community or moving somewhere warm, Gen Xers are looking forward to a retirement that is more physically active and intellectually stimulating. Travel and relaxation are at the top of the retirement to-do list, while half of Gen Xers (50%) say exercise will be a big priority and nearly a third (36%) see themselves taking on meaningful volunteer work when they retire.

Potential Retirement Speedbumps and Setbacks

Generation X is confident about their ability to save for retirement, but they maintain some worries as they consider their future. The majority of Gen Xers (75%) share concerns over the rising cost of healthcare and 63 percent fear they could be burdened by the cost of long-term care. They also have concerns about not being able to rely on funds from Social Security or Medicare. But, even with these potential obstacles, most Gen Xers feel confident they are on track to meet their financial goals for retirement including paying off major debts (86%) and saving enough to cover all of their basic needs (96%).

"The new reality is that Gen Xers are planning to reinvent retirement. They don't have an on-off switch in terms of leaving the workforce and instead anticipate a gradual evolution into this new phase of life, which really sets this

generation apart," says Keckler. "Working with a financial advisor to develop a personal plan is an excellent approach for Gen Xers, and provides reassurance as they balance their needs today with their future financial security in retirement."

For more information about the Retirement 2.0 study, please visit our research page at ameriprise.com/GenXretirement

About the survey

The Retirement 2.0 study was created by Ameriprise Financial utilizing survey responses from 1,518 Americans ages 35 to 50 with investable assets of at least \$100,000. The online survey was commissioned by Ameriprise Financial, Inc., and conducted by Artemis Strategy Group from February 27 – March 15, 2015.

About Artemis Strategy Group

Artemis Strategy Group (www.Artemissg.com) is a communications strategy research firm specializing in brand positioning, thought leadership and policy issues.

About Ameriprise Financial

At Ameriprise Financial, we have been helping people feel confident about their financial future for more than 120 years. With extensive asset management, advisory and insurance capabilities and a nationwide network of approximately 10,000 financial advisors, we have the strength and expertise to serve the full range of individual and institutional investors' financial needs. For more information, or to find an Ameriprise financial advisor, visit ameriprise.com.

For further information and detail about the Retirement 2.0 study including verification of data that may not be published as part of this report, please contact Ameriprise Financial.

Investment advisory products and services are made available through Ameriprise Financial Services, Inc., a registered investment adviser.

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