



To: Fast Facts List

Fast Facts: RETIREMENT SECURITY

Part 1: Growth Of Individual Retirement Accounts and 401(k)s

FACT: The financial services industry currently manages more than [\\$17 trillion in retirement assets](#), which represents 36% of all U.S. household assets.

FACT: [The U.S. retirement market is projected to grow to nearly \\$22 trillion by 2016](#). That represents a 30% increase in retirement savings over four years.

FACT: [Nearly two-thirds of non-retirees \(64%\) now look to IRAs and 401\(k\)s as major funding sources when they retire](#), according to a recent Gallup poll. Only 26% of non-retirees plan to rely on Social Security.

FACT: Of non-retiree investors: [73% have a 401\(k\)](#) and [62% have an IRA](#).

FACT: Over 90% of people with 401(k) retirement accounts [have more money in their accounts than they did at the 2007 market top](#) due to continued contributions and growth in the funds over the last four years, according to the Employee Benefit Research Institute in Washington.

FACT: At the end of Q4 2011, the average 401(k) balance was \$69,100, [up nearly 8% from the end of Q3 2011](#), according to data from Fidelity Investment accounts.

- The average employee contribution during 2011 was \$5,750, up from \$5,680 a year ago, as participants on average [continued to save more than 8%](#) of their annual salaries according to Fidelity.

When you retire, how much do you expect to rely on each of the following sources of money -- will it be a major source of income, a minor source, or not a source at all?

Percentage of investors saying "a major source"

	Retirees %	Rank among major sources	Nonretirees %	Rank among major sources
Social Security	52	1	26	4
A work-sponsored pension plan	44	2	34	2
A 401(k), IRA, Keogh, or other retirement savings account	33	3	64	1
Individual stock or stock mutual fund investments	26	4	32	3

Wells Fargo/Gallup Investor and Retirement Optimism Index, September 2011

THE FINANCIAL SERVICES ROUNDTABLE



Financing America's Economy

Quick Question: [What's the difference between an IRA and a 401\(k\)?](#) An IRA is a private investment funded solely by your own money, while a 401(k) is offered through your place of work and involves your contributions and often contributions from your employer. Learn more on Bankrate.com.

Next week's Fast Facts will focus on the most important way to grow an individual retirement account....

For more information, please contact Abby McCloskey, Director of Research at the Financial Services Roundtable, at abbyresearch@fsround.org, or Scott Talbott, Senior Vice President of Government Affairs, at scott@fsround.org.

Learn more about the Financial Services Industry at www.OurFinancialFuture.com. OurFinancialFuture.com is continuously updated to bring you the most useful information about the industry in real-time.

Financial Services HOTLINE: If you have questions about this topic or any other issue facing financial services, please reach out to Abby directly at 202-589-2531.