

#TBT: PARENTS, LOOK HOW FAR YOU'VE COME – College Savings Gaining Traction

Since Fidelity's 1st annual College Savings Indicator Study in 2007, parents have made significant strides in their savings efforts. Older Millennials today (those ages 30-34), vs. parents of the same age in 2007, showcase this progress:



THE COLLEGE SAVINGS DAILY Monday, September 24, 2007

PARENTS AGES 30-34

IN 2007

16% planned to pay for all college costs.



58% had started saving for college.



25% used a dedicated college savings account.



REPORTED A MEDIAN OF \$3,800 SAVED OVERALL

9/24/15 9:00 AM 86%

PARENTS AGES 30-34

IN 2015

48% plan to pay for all college costs.



74% have started saving for college.



40% use a dedicated college savings account.



REPORT A MEDIAN OF \$5,000 SAVED OVERALL

Keep College Savings Moving Forward

While Millennial parents are establishing good savings habits, they are on track to save just 28% of the total college expenses they intend to cover, and need to continue their efforts.

Fidelity's "College Savings Quick Check" (go.fidelity.com/collegecheckup) can help calculate a monthly savings target and show how a small increase in savings can make a big impact over the long-term.

About the Fidelity Investments 2015 College Savings Indicator Study

As part of the study, Fidelity conducted a survey of parents with college-bound children of all ages. Parents provided data on their current and projected household asset levels including college savings, use of an investment advisor and general expectations and attitudes toward financing their children's college education. Using Fidelity's proprietary asset-liability modeling engine, the company was able to calculate future college savings levels per household against anticipated college costs. The results provided insight into the financial challenges parents face in saving for college. Data for the Indicator (number of children in household, time to matriculation, school type, current savings and expected future contributions) were collected by Boston Research Technologies, an independent research firm, through an online survey from June 5 – July 6, 2015, of 2,470 parents nationwide with children aged 18 and younger who are expected to attend college. The survey respondents had household incomes of \$30,000 a year or more, and were the financial decision makers in their household. College costs were sourced from the College Board's Trends in College Pricing 2014. Future assets per household were computed by Strategic Advisers, Inc. (a registered investment adviser and wholly owned subsidiary of FMR LLC). Within Fidelity's asset-liability model, Monte Carlo simulations were used to estimate future assets at a 75 percent confidence level. The results of the Fidelity College Savings Indicator may not be representative of all parents and students meeting the same criteria as those surveyed for this study.

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Fidelity Brokerage Services LLC, Member NYSE, SIPC
900 Salem Street, Smithfield, RI 02917

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