

TOP FINDINGS FROM THE 2018 Fidelity Investments® New Year Financial Resolutions Study

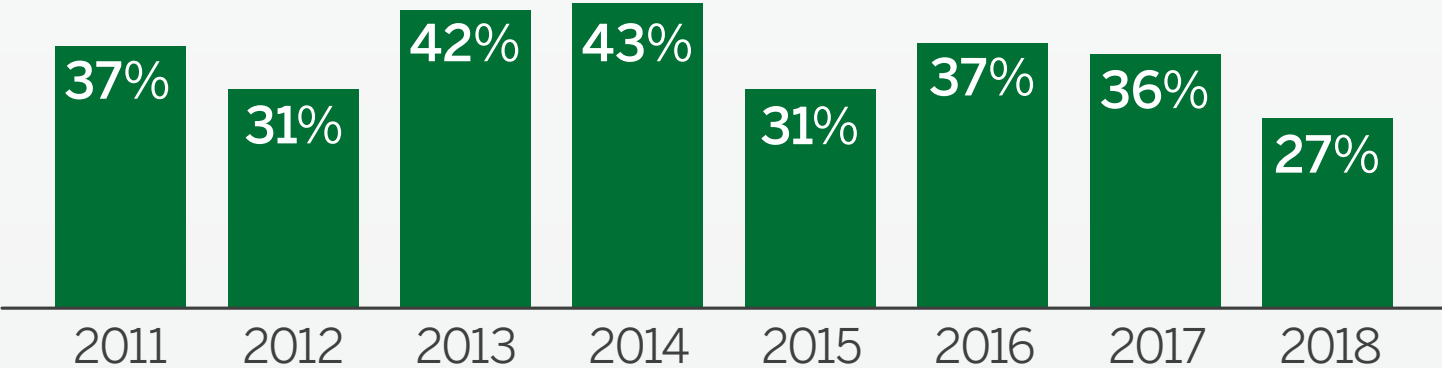
A FEW WORDS ABOUT THE STUDY

The Fidelity Investments New Year Financial Resolutions Study was designed to explore attitudes toward making financial New Year's resolutions. **This is the ninth year Fidelity has conducted the study.**

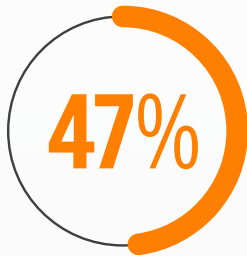
THIS YEAR'S KEY FINDING

WITH THE STOCK MARKET AT AN ALL-TIME HIGH, **FINANCIAL RESOLUTIONS FOR THE NEW YEAR ARE AT AN ALL-TIME LOW**

Fewer Americans are considering a financial resolution for the New Year: only 27% in 2018 compared to 36% in 2017—and far fewer than the all-time high of 43% in 2014.



DESPITE THIS, NEARLY ONE-HALF OF AMERICANS ARE **FEELING POSITIVE ABOUT THEIR FINANCIAL FUTURE**



say they are in a **better financial situation** this year

This is up from 45% last year and significantly higher from 2013 (26%).

THE TOP REASONS FOR THIS FEELING:
66% reported that they or someone in the family is **saving more money**
59% mention **creating a financial budget**



believe they will be **better off financially in 2018**

Generationally, **younger generations feel better** than older generations:

90% of **Millennials** (born 1981-1996) predict they will be better off financially in 2018 vs. **81%** of **Gen-Xers** (born 1965-1980) vs. **68%** of **Boomers** (born 1946-1964)

40% of Americans say they are **less in debt**, which is an **all-time high**

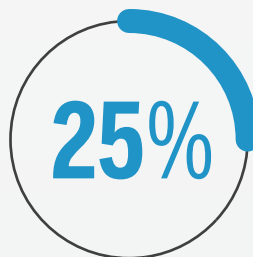
WHILE ONLY

11% say they are **more in debt** this year (a survey low) and **42%** say they have the **same amount of debt** this year

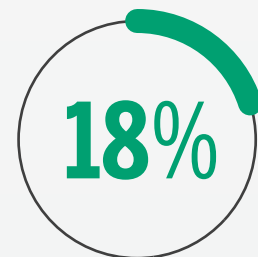
FOR THE NINTH CONSECUTIVE YEAR, **THE TOP 3 FINANCIAL RESOLUTIONS** AMONG THOSE AMERICANS CONSIDERING ONE ARE



SAVE MORE
↑ from **50%** in 2016



PAY DOWN DEBT
↓ from **28%** in 2016



SPEND LESS
↑ from **16%** in 2016



TOP FINANCIAL CONCERNS GOING INTO 2018



57% UNEXPECTED EXPENSES

This was also the top concern last year, at **65%**



50% FEARS RELATED TO THE **ECONOMY**

A significant decrease from **62%** in 2016, but in line with the year prior



53% RISING HEALTH CARE COSTS

An increase from **48%** in 2016

Perhaps in order to combat these concerns, **83%** say they **plan to improve their physical health** to lessen potential long-term health care costs.

OF THOSE WHO LISTED THE ECONOMY AS A CONCERN

44% were most concerned about **global or political instability**

22% pointed to its **overall strength**

Dropping out of the top three, **44%** were **concerned about not saving enough**—compared to 49% last year.



AMERICAN SAVING SHIFTS SLIGHTLY TOWARD **SHORTER-TERM OBJECTIVES**

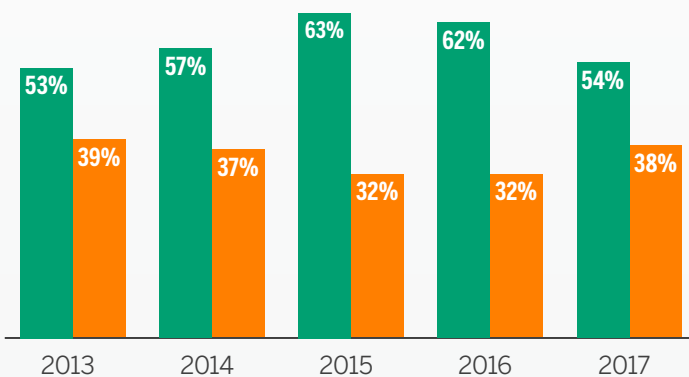
Among those who **plan to save more money next year**

54% plan to save toward **long term goals**

WHILE

38% plan to save toward **short term goals**

THIS IS A SHIFT FROM THE PREVIOUS TWO YEARS (2016 AND 2015) WHERE LONGER-TERMS LEVELS WERE HIGHER, HOWEVER IT IS IN LINE WITH WHAT WE SAW IN PREVIOUS YEARS (2013 AND 2014).



Among those who **plan to save more money next year**

Those who plan to save toward **long term goals**

Those who plan to save toward **short term goals**

LONG-TERM SAVERS

58% want to **save more** for retirement in an **IRA or 401(k)**
 ↓ from **64%** in 2016

37% want to **save for retiree health care costs**
 ↓ from **40%** in 2016

29% want to **save for college**
 ↑ from **26%** last year

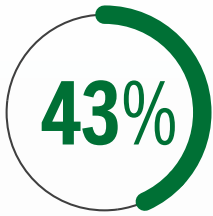
SHORT-TERM SAVERS

66% want to put **more into an emergency fund**
 This number is down from last year (**72%**), but a 14-percentage point jump from 2014 (**52%**).

53% plan to **save for a vacation**
 A new response this year

45% plan to **save so they can pay down their credit cards**
 On par with last year





plan to increase their retirement savings by 1% or more of their salary in 2018

More Millennials (62%) than Gen X-ers (53%) plan to increase their retirement savings

Among those Americans who identified saving money as one of their top resolutions, the median amount they thought they could save more monthly was \$200.



WITH THE INCREASED FEELING OF OVERALL PROSPERITY, ONE MIGHT ASSUME PLANS TO INCREASE CHARITABLE GIVING WOULD ALSO BE ON THE RISE.

58% intend to increase their household charitable giving in the year ahead

This number has been consistent for the past two years, and an increase from 2014 (54%).

GIVING BY GENERATION:

- 64% of Gen X-ers
- 63% of Millennials
- 56% of Boomers

MAKING FINANCIAL RESOLUTIONS MAY IMPROVE YOUR FINANCIAL WELLNESS

| People who made financial resolutions at the start of 2017 feel... | ...in better financial shape... | ...than those who didn't make a financial resolution. |
|--|---|---|
| MORE OPTIMISTIC | 56% feel strongly they will be better off financially in 2018 | Only 42% strongly agree with this statement |
| MORE DEBT-FREE | 53% say they are less in debt this year compared to last year | Only 36% feel the same way |
| MORE FINANCIALLY SECURE | 58% say they are in a better financial situation this year than last | Only 44% feel the same way |



TO ACHIEVE FINANCIAL RESOLUTIONS, TRACK YOUR PROGRESS

74%

When asked **what would help make or stick to a financial resolution**, the most popular answer was **self-motivation or feeling encouraged by progress you've made so far**

OTHER TOP ANSWERS INCLUDE

68%

Being able to see or calculate the **bottom-line benefit of sticking to your financial resolution** over the year

41%

Automatic increase programs (such as to 401(k) contributions direct from your paycheck, etc.)

62%

Breaking into **smaller, more attainable short-term goals**

41%

Having a **daily or weekly reminder**

62%

Having a reward if you reach your goal by the end of the year

41%

Loyalty or rewards credit cards that allow you to earn more

55%

Talking with friends or family who can help you stay focused on your goal

37%

Meeting with someone on a regular basis to help you track your progress

42%

Using a digital tool or app to help you plan and stay on track

37%

Having a consequence if you don't stick to your financial resolution



MANY AMERICANS ARE **STICKING WITH THEIR FINANCIAL RESOLUTIONS** AND IT'S PAYING OFF



This past year, more Americans stuck with financial resolutions throughout the year than in years past. In fact, **54%** reported they managed to achieve 80% or more of their goal, compared to only **49%** of Americans the previous year.

Among those who have not achieved their resolution completely, a strong six in 10 (**59%**) said their resolution is still ongoing, similar to last year (**61%**).

Of those who were successful at keeping their financial resolution, **69%** also said they were in a better financial situation than last year, compared to **48%** of those who didn't come as close to achieving their resolution. And, **59%** said they were less in debt, compared to **48%** who didn't make as much progress.



Among those Americans who successfully stuck to a financial resolution, nearly one-quarter (**23%**) said it was because the financial goal they set was clear and specific, while **10%** said it helped to keep a record of their progress against their goal.



Looking at those Americans who were unable to stick with their financial resolution, the number one reason (**47%**) involved unexpected expenses, such as unemployment or health care costs.



METHODOLOGY

This study presents the findings of a telephone survey conducted among two national probability samples, consisting of **2,059 adults**, 18 years of age and older. Interviewing for this CARAVAN[®] Survey was completed on October 19-22 and 26-29, 2017 by ORC International, which is not affiliated with Fidelity Investments. The results of this survey may not be representative of all adults meeting the same criteria as those surveyed for this study

KEY DEMOGRAPHICS OF SAMPLE

48%

MALE

9%

NOT EMPLOYED

52%

FEMALE

26%

FULL OR PARTIALLY RETIRED

48

AVERAGE AGE

5%

HOMEMAKER

\$60,600

AVERAGE HH INCOME

5%

STUDENT

54%

EMPLOYED

1%

REFUSED

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