

2023 Financial Resolutions Study

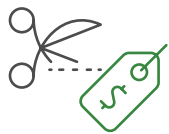


A FEW WORDS ABOUT THE STUDY

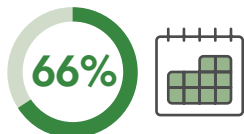
Fidelity Investments® annual Financial Resolutions Study is designed to explore attitudes about making New Year financial resolutions. This year's study examines how Americans are approaching the new year given economic headwinds of market volatility and inflation and explores whether they're making a resolution to improve their financial situation.

THIS YEAR'S KEY FINDINGS

OPTIMISM OUT, PRAGMATISM IN



2023 expected to be **"the year of living sensibly"**



66% are considering a **financial resolution** for the new year vs. **68%** who considered one last year



More than one-third of Americans say they're in **worse financial shape** than last year



Inflation tops concerns for the year ahead, after it was **the top financial setback for 2022**

THE TOP 3 FINANCIAL RESOLUTIONS REMAIN CONSISTENT YEAR-OVER-YEAR:



39%
Save More Money



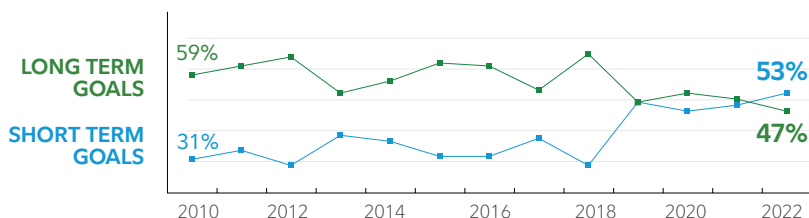
32%
Pay Down Debt



28%
Spend Less Money

BUT FOR THE FIRST TIME, SHORT-TERM GOALS TAKE CENTER STAGE

Among those planning to save more money in the new year, more than half are focused on short-term goals*, a reversal of historical trends.



*Short term goals include credit card debt, emergency savings, mortgage, big ticket purchases, etc.; long-term goals include retirement, college savings, health care, long-term care, etc.

Of those planning a financial resolution for the new year, **94%** say they're approaching it differently given events of the last couple years



Nearly half (45%) are considering more conservative goals.

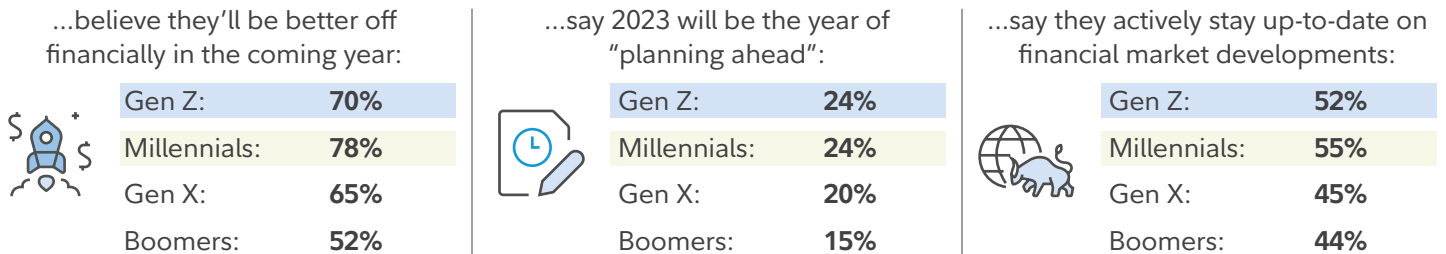


Those making financial resolutions hope to achieve **"greater peace of mind"** and **"live a debt-free life."**

YOUNGER GENERATIONS MORE LIKELY TO MAKE A FINANCIAL RESOLUTION

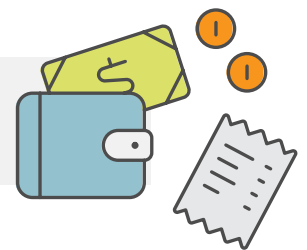


And are also more likely to...



INFLATION WEIGHS ON AMERICANS

37% say they had significantly less money this past year due to inflation impacting their day-to-day spending



BABY BOOMERS LEAD THE WAY IN FINANCIAL STRESS

More than **4 in 10 Boomers** say they and their family are in worse shape than this time last year.

	COMPARED TO LAST YEAR, MY FAMILY IS IN:		
	Better financial situation	Worse financial situation	Similar financial situation
TOTAL	27%	36%	36%
GEN Z	43%	27%	30%
MILLENNIALS	39%	32%	29%
GEN X	25%	38%	36%
BOOMERS	13%	43%	44%

INFLATION & ECONOMIC UNCERTAINTY TOP ANTICIPATED CONCERNS FOR 2023

What are your top financial concerns for 2023?



43%

Inflation's impact on day-to-day expenses and saving



39%

Economic uncertainty / recession



38%

Unexpected expenses



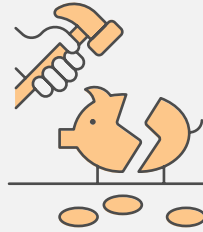
25%

Political uncertainty

EXPECTING THE UNEXPECTED



Among those who experienced a financial setback in the last year, **44% had to dip into their emergency fund**, led by **Millennials**.

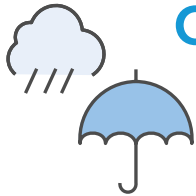


19% of Millennials say they had to **empty their emergency fund completely** to address the financial setback(s)

11% said their rainy-day fund **wasn't enough**

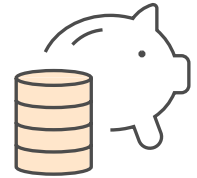
19% **didn't have an emergency fund** to tap

WHAT DOES 2023 HAVE IN STORE?



Only 65% believe they'll be better off financially in the coming year (**vs. 72%** in the last study)

But **nearly half (49%)** will try to maintain the savings habits they've picked up during the pandemic.

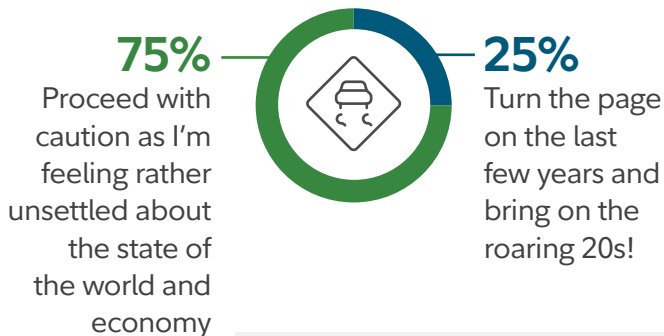


<p>ACCORDING TO AMERICANS, 2023 WILL BE THE YEAR OF:</p>	<p>29% Living Sensibly</p>	<p>20% Planning Ahead</p>	<p>20% New Chapters</p>
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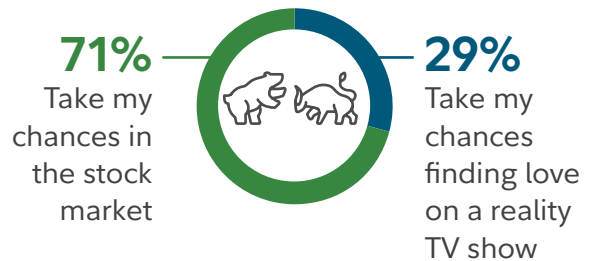
WE ASKED AMERICANS WHAT THEY'D RATHER DO AS THEY ENTER 2023:



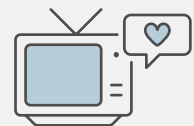
WOMEN WERE MORE LIKELY THAN MEN to say they'd rather improve their mental health (**35% vs. 30%**)



WOMEN WERE MORE LIKELY THAN MEN to say they'd rather proceed with caution (**78% vs. 73%**)



MEN AND WOMEN AGREE: The stock market is more appealing than being on a reality TV show!



THE GOOD NEWS

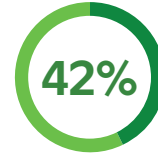
MORE PEOPLE EXPRESS HAVING A POSITIVE RELATIONSHIP WITH MONEY THAN NEGATIVE.

MY RELATIONSHIP TO MONEY IS:



MOSTLY POSITIVE

Healthy: 17% Confident: 15%
Hands-on: 15% Relaxed: 11%



MOSTLY NEGATIVE

Stressful: 32% Obsessive: 3%
Non-existent: 5% Intimidating: 3%



Women are more likely

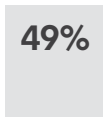
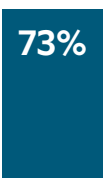
to say their relationship with money is "stressful" than men, at 36% vs. men at 26%

More than eight-in-ten Americans say having a plan in place can help them better deal with the unexpected.

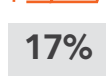


A FINANCIAL RESOLUTION IS ONE PLACE TO START.

Those considering a financial resolution for 2023 are:



More likely to believe they'll be **better off financially** in the new year (73% vs. just 49% of those not making a resolution)



More likely to say they and their family are **in a better financial situation** compared to this time last year (33% vs. 17% of those not making a resolution)

SO WHAT WERE THE MAIN REASONS PEOPLE KEPT THEIR RESOLUTIONS LAST YEAR?



27%

I was motivated by my passion to reach my goal



26%

It was realistic, and easy to maintain over the long-term



25%

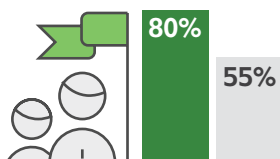
The financial goal I set was clear and specific



24%

It felt good to make progress

TALKING TO A PROFESSIONAL CAN HELP.



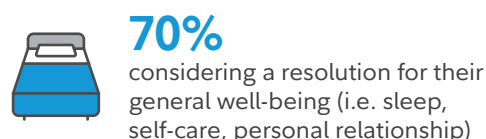
The vast majority (**80%**) of people with advisors were **able to stick to their financial resolution**, compared to just over half (55%) of those without an advisor.



In fact, those with advisors are **more than twice as likely** to say they have a **"healthy" relationship with money** than those without one.

THE FULL PICTURE

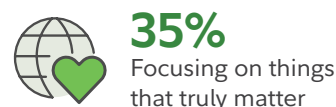
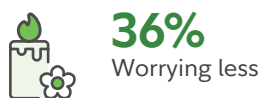
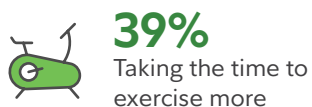
IN ADDITION TO FINANCIAL RESOLUTIONS, AMERICANS ARE ALSO THINKING ABOUT THEIR OVERALL WELL-BEING.



Gen Z is the most likely to prioritize mental health (nearly three-quarters, 74%, are considering a mental health resolution)



AMERICANS OF ALL AGES ALSO PLAN TO DO MORE FOR THEMSELVES IN 2023 INCLUDING:



LOOKING TO TAKE THE NEXT STEP WITH YOUR FINANCIAL RESOLUTIONS?

Fidelity can help you create a free plan based on what matters most to you and adjust your plan as your priorities evolve, available at:

fidelity.com/freeplan

METHODOLOGY:

This study presents the findings of a national online survey, consisting of 3,020 adults, 18 years of age and older. The generations are defined as: Baby Boomers (ages 58-76), Gen X (ages 42-57), millennials (ages 26-41), and Gen Y (ages 18-25; although this generation has a wider range, we only surveyed adults for the purposes of this survey). Interviewing for this CARAVAN® Survey was conducted October 17-23, 2022 by Big Village, 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.

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