

Fact Sheet: The Fidelity Investments® 2016 New Year Financial Resolutions Study

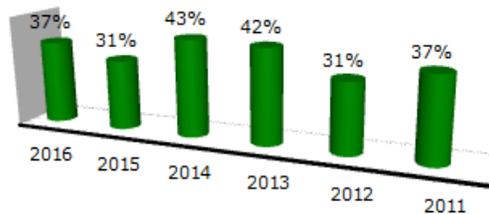
A Few Words about the Study

The Fidelity Investments *New Year Financial Resolutions Study* was designed to explore attitudes toward making financial New Year's resolutions. This is the seventh year Fidelity has conducted the study, with results trended over time.

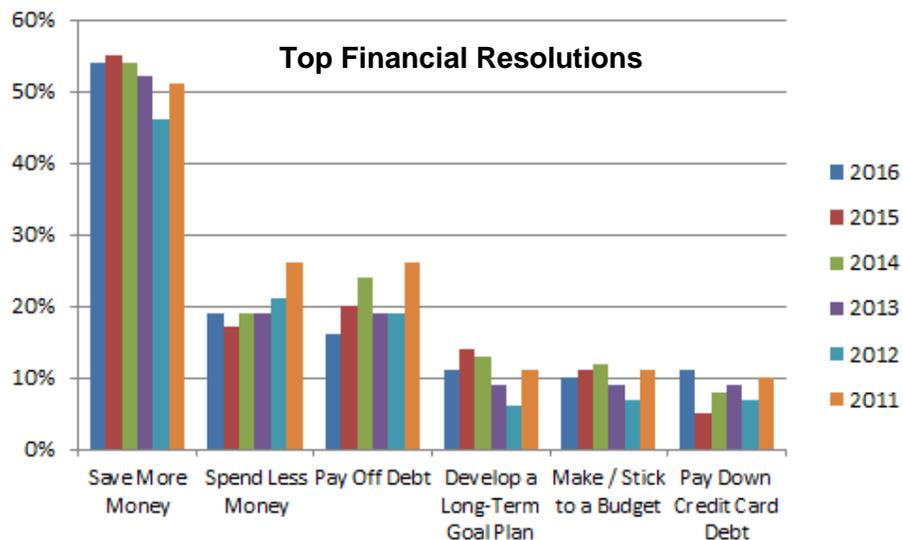
Key Findings:

Finding #1: More Americans are Making Financial Resolutions for 2016

The number of Americans considering a financial resolution for 2016 increased significantly to 37%, compared to 31% in 2015 (a 19% increase over last year).



- For those considering a financial resolution, the top three remain consistent with prior years: save more (54%), spend less (19%) and pay off debt (16%).
 - Of those planning to save more, the median amount they anticipate saving is an additional \$200 per month, consistent with previous years.
 - While paying off debt declined somewhat this year, paying down credit cards increased significantly this year (5% to 11%).



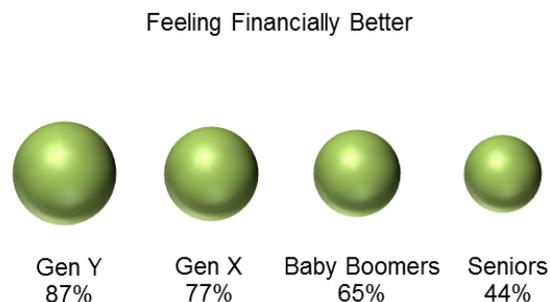
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For those who identified “saving more money” as a top financial resolution, more people plan to focus on long-term goals than short-term (63% versus 32%). This is up from last year when 57% said they were saving for long-term goals.

- The most popular long-term goals: save for retirement in an IRA or workplace savings plan (53%), save for retiree health care costs (41%), and save for college (28%).
- The most popular short-term goals: place the money in an emergency fund (60% up from 52% last year), pay down credit card debt (42%), save for a household upgrade (35%) or save for a car (33%).
- Among all respondents, when asked if they plan to increase their annual retirement savings contribution by 1% or more in 2016, 48% said yes. Some ways in which they can achieve this is through increased contributions in an IRA or workplace savings account, such as a 401(k).

Finding #2: Top Financial Concerns Going into 2016

- When asked what their top financial concerns are going into 2016:
 - 62% mentioned unexpected expenses
 - 53% said the economy
 - 47% said health care costs.
- Despite this, 72% of Americans think they will be better off financially next year compared to this year.
 - Generationally, the younger generations feel better than the older set. Those saying they feel they will be better off financially in 2016 than they were in 2015.



- Even better news: not only do respondents believe they will be in a better financial situation next year, 36% of Americans say they are carrying less debt going into the New Year.

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Finding #3: Making Financial Resolutions May Improve Your Financial Wellness

- For those who say they made a resolution in 2015, more than one-half now feel they are better off financially and less in debt

| People who made financial resolutions at the start of 2015 are... | ...in better financial shape... | ...than those who didn't make a financial resolution. |
|--|--|---|
| More optimistic. | 51% feel strongly they will be better off financially in 2016 | Only 38% strongly agree with this statement |
| More debt-free. | 45% say they are less in debt this year compared to last year | Only 33% feel the same way |
| More financially secure. | 43% say they are in a better financial situation this year than last | Only 38% feel the same way |
| More likely to increase their retirement savings | 43% strongly agree they will increase by 1% or more | Only 22% feel the same way |
| Improving their physical health to lessen long-term health care costs | 70% strongly agree they will do this | Only 57% feel the same way |

- In addition, looking at those Americans who stuck to their financial resolution last year reveals that those who completed 80% or more of their intended resolution (43% vs. 51% last year) were even more likely to see the financial benefits of sticking with their intentions. For example:
 - 56% say they're in a better financial situation vs. 34% who didn't reach their goal
 - 51% say they are less in debt this year vs. 40% who didn't reach their goal
 - 41% were more likely to make their resolutions with their spouse vs. 27% who didn't reach their goal

Finding #4: To Help Achieve Financial Resolutions Track Your Progress

- There are many methods people use to stick to a financial resolution. When asked what would help them make or stick to a financial resolution, those who were the most successful at sticking to their resolution listed the following motivators:

| | |
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| Being able to see or calculate the bottom-line benefit of sticking to your financial resolution over the year | 77% |
| Self-motivation/feeling encouraged by progress made so far | 75% |
| Having a reward if you reach your goal by year-end | 63% |
| Breaking into smaller, more attainable short-term goals | 59% |
| Having a consequence if you don't stick to your resolution | 50% |
| Automatic increase programs, e.g. 401(k) contributions | 47% |

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Other Data Points of Interest

- The survey found that achieving a financial resolution isn't as difficult as one might think. When comparing financial resolutions to other popular resolutions such as exercising regularly or giving up smoking, 38% say it's easier to stick to a financial resolution, 35% said it's harder and 24% said there was no difference.
- When asked whether last year's financial resolution was a one-time event or ongoing, 83% said it was an ongoing resolution, 13% a one-time event and 4% were unsure.
- Among those who did not stick with their financial resolutions last year, the top 3 reasons included: unexpected expenses (59%), that it was too hard to sustain over the long-term (42%) and that they should have set milestones along the way (38%).

Methodology

- This survey was conducted by telephone¹ among a national probability sample of 2,013 U.S. adults 18 years of age and older. Interviewing was conducted from October 15-25, 2015 by ORC International, an independent research firm not affiliated with Fidelity Investments. The results of the survey may not be representative of all adults meeting the same criteria as those surveyed for this study.

Key Demographics of Sample

| | |
|----------------------------|----------|
| Male | 48% |
| Female | 52% |
| Average Age | 46.5 |
| Average HH Income | \$55,500 |
| Employed | 58% |
| Not Employed | 11% |
| Fully or Partially Retired | 21% |
| Homemaker | 4% |
| Student | 6% |
| Refused | 1% |

| | |
|----------------------------------|-----|
| Graduate School | 12% |
| Some College or College Graduate | 45% |
| High School or Less | 41% |
| Refused | 1% |

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