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FIDELITY Q3 RETIREMENT ANALYSIS: ACCOUNT BALANCES HIT RECORD HIGHS 10 YEARS FOLLOWING FINANCIAL CRISIS

- *Contribution Rates for Women Reach Record Levels*
- *Number of 401(k) Millionaires Increase 40 Percent from Q3 2017*
- *Average 401(k) Balance for Millennials Saving for Five Years Straight Tops \$80,000*

BOSTON, Nov. 5, 2018 -- [Fidelity Investments](https://www.fidelity.com)® today released its quarterly analysis of retirement savings trends, including account balances, contributions and savings behavior, across more than 30 million retirement accounts. The third quarter of 2018 marks the 10-year anniversary of the beginning of the financial downturn, and Fidelity's latest analysis includes insight on how various aspects of the retirement landscape have changed in the last decade, including record account balances, increased savings rates and record usage of target date funds.

"One of the few positive outcomes from the financial crisis was that it caused individuals to take a closer look at their retirement accounts and educate themselves on some of the steps they should take to help protect and grow their retirement savings," said Kevin Barry, president of workplace investing at Fidelity Investments. "Combined with some of the plan design benefits of the Pension Protection Act, we've seen an increasing amount of positive savings behavior over the last 10 years, which helped put many people back on track to reach their retirement goals."

Highlights from this quarter's analysis include:

- **Average [401\(k\)](#), [403\(b\)](#) and [IRA](#) account balances reach record highs and have nearly doubled since 2008.** The average 401(k) balance reached an all-time high balance of \$106,500, surpassing the previous record high balance of \$104,300 from Q4 2017. The average balance is seven percent higher than a year ago, but represents an 87 percent increase from the average balance of \$56,900 in Q3 2008. The average IRA balance increased to \$111,000, almost a 4 percent increase from last quarter and more than twice the average of \$52,000 in Q3 2008. The average 403(b) account balance reached a record high of \$85,500, nearly double the average balance of \$43,300 in Q3 2008.

Average Retirement Account Balances

	Q3 2018	Q2 2018	Q3 2017	Q3 2008
401(k) ¹	\$106,500	\$104,000	\$99,900	\$56,900
IRA ²	\$111,000	\$106,900	\$103,400	\$52,000
403(b) ³	\$85,500	\$83,400	\$79,900	\$43,300

- Double-digit growth in the number of 401(k) and IRA millionaires.** The number of people with \$1 million or more in their 401(k) increased to 187,400 at the end of Q3, an increase of 41 percent from the 133,000 401(k) millionaires in Q3 2017 and nearly 10 times the 19,300 savers with a \$1 million in their 401(k) in Q3 2008. The number of IRA millionaires increased to 170,400 in Q3 2018, an increase of 25 percent over a year ago.
- Contribution rates for women investors reach record levels.** The overall average employee 401(k) contribution rate reached 8.7 percent, the highest level since Q4 2006. Encouragingly, contribution rates for women investors reached a record high with an 8.5 percent average rate in Q3. In addition, 32 percent of 401(k) women investors increased their contribution rate over the last year, compared with just 14 percent of 401(k) women investors who increased their contribution rate in the 12-month period ending in Q3 2008. IRA contributions among female millennials increased 19 percent in the past year.
- Half of all 401(k) accounts now hold 100 percent of savings in a target date fund.** For the first time, more than half (50.4 percent) of 401(k) savers have all of their assets in a target date fund. Just over 30 percent of overall 401(k) assets are in target date funds, up from 9.8 percent of overall assets in Q3 2008. In addition, slightly more than half (51 percent) of all “new” 401(k) contributions go into a target date fund. For 403(b) savers, the percentage of individuals who have all their assets in a target date fund climbed to 62 percent, a record high.

Long-Term Retirement Savers See Solid Growth

In addition to providing insight across more than 15 million 401(k) accounts, Fidelity regularly analyzes savers who have consistently saved in their company’s 401(k) plan for several consecutive years. An analysis of 401(k) savers who have been in their plan for either five, 10 or 15 years straight revealed the following:

- **Average balance for millennials who have been in their plan for five years straight tops \$80,000.** Among workers who have been in their company's 401(k) plan for five consecutive years, which is almost a third (32.2 percent) of Fidelity's entire 401(k) platform, the average balance reached \$221,200 at the end of Q3, up from an average of \$103,700 five years earlier. Among millennials within this category, the average balance reached \$82,000, up from \$20,600 five years ago.
- **Average balance for 10-year continuous savers tops \$300,000.** Among participants who have been in their 401(k) plan for 10 years straight, the average balance reached \$305,400, nearly five times the average balance of \$65,700 for this group 10 years ago.
- **15-year continuous savers see nearly ten-fold balance increase.** Workers who have been in their 401(k) plan continuously since Q3 2003 have seen significant increases in savings. The average 401(k) balance for this group increased to \$400,300 in Q3 2018, more than 8 times the average balance of \$47,800 for this same group in Q2 2003.

"Most individuals will go through several periods of market volatility in their savings career, so it's important to stay the course, not react to short-term market events and continue to take a long-term approach to retirement savings," concluded Barry. "These groups of long-term savers are great examples of how a consistent approach to retirement savings can lead to significant financial gains over the long run."

For more information on Fidelity's Q3 analysis, please click [here](#) to access Fidelity's "Building Futures" overview, which provides additional details and insight on retirement trends and data.

About Fidelity Investments

Fidelity's mission is to inspire better futures and deliver better outcomes for the customers and businesses we serve. With assets under administration of \$7.4 trillion, including managed assets of \$2.6 trillion as of September 30, 2018, we focus on meeting the unique needs of a diverse set of customers: helping more than 28 million people invest their own life savings, 23,000 businesses manage employee benefit programs, as well as providing more than 13,000 financial advisory firms with investment and technology solutions to invest their own clients' money. Privately held for 70 years, Fidelity employs more than 40,000 associates who are focused on the long-term success of our customers. For more information about Fidelity Investments, visit <https://www.fidelity.com/about>.

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Keep in mind that investing involves risk. The value of your investment will fluctuate over time, and you may gain or lose money.

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¹ Analysis based on 22,700 corporate defined contribution plans and 16.2 million participants as of September 30, 2018.

These figures include the advisor-sold market, but exclude the tax-exempt market. Excluded from the behavioral statistics are non-qualified defined contribution plans and plans for Fidelity's own employees.

² Fidelity's IRA analysis is based on 10.2 million IRA accounts, as of September 30, 2018.

³ Analysis based on 10,700 defined contribution plans, including 403(b), 401(a), 401(k) and 457(b) qualified plans, and 5.7 million participant accounts, in the tax-exempt market, as of September 30, 2018.