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Corporate Communications
(617) 563-5800
fidelitycorporateaffairs@fmr.com

Mike Shamrell
(617) 563-1996
michael.shamrell@fmr.com

FIDELITY® Q1 2019 RETIREMENT ANALYSIS: ACCOUNT BALANCES REBOUND FROM DIP IN Q4, WHILE SAVINGS RATES HIT RECORD LEVELS

Staying the Course Results in Significant Increases in Retirement Balances on 10-Year Anniversary of Stock Market Low¹

BOSTON, May 9, 2019 -- [Fidelity Investments](https://www.fidelity.com)®, a broadly diversified financial services company with more than \$7.4 trillion in client assets, today released its quarterly analysis of retirement savings trends, including account balances, contributions and savings behaviors, across more than 30 million retirement accounts. Average account balances rebounded in the first quarter after a slight dip at the end of 2018, buoyed by positive stock market performance as well as record contribution levels to retirement accounts.

Highlights from Fidelity’s Q1 2019 analysis include:

- **Average 401(k), IRA and 403(b) balances rebounded in Q1 2019.** The average 401(k) balance rose to \$103,700, an 8% increase from \$95,600 in Q4 2018. The year-over-year average balance is up roughly 1% from \$102,900 in Q1 2018. The average IRA balance increased to \$107,100, a 9% increase from last quarter and 2% higher than the \$105,100 balance one year ago. The average 403(b) account balance increased to \$85,800, also a 9% increase from last quarter and up 2% from Q1 2018.

Average Retirement Account Balances

	Q1 2019	Q4 2018	Q1 2018	Q1 2009
401(k) ²	\$103,700	\$95,600	\$102,900	\$46,300
IRA ³	\$107,100	\$98,400	\$105,100	\$50,600
403(b) ⁴	\$85,800	\$78,700	\$84,000	\$35,900

- **The number of 401(k) and IRA millionaires increased.** The number of people with \$1 million or more in their 401(k) increased to 180,000, up from 133,800 at the end of Q4, while the number of IRA millionaires increased to 168,100, up from 138,800 last quarter.

- **Combined average balances for individuals saving in both an IRA and a workplace savings plan increased to more than \$300,000.** The combined average balances for savers with both a workplace retirement plan, such as a 401(k) or 403(b), and an IRA reached \$307,600, a record high and an increase of 9% from the combined average balances of \$281,000 at the end of 2018.
- **Employee and employer contributions to retirement accounts hit record levels in Q1.** The average 401(k) employee contribution amount, in dollars, reached a record level of \$2,370 in Q1, a 15% increase over one year earlier. In addition, the average 401(k) employer contribution, or company match, reached \$1,780 in Q1, a record high and a 6% increase from one year earlier. The average 401(k) employer contribution rate, in terms of percentage of salary, reached 4.7% in Q1, which was also a record high and boosted the average total savings rate (employee contributions + company match) to an all-time high of 13.5% in the first quarter. In addition, contributions to 403(b)/tax exempt retirement accounts also increased to record levels, with the average employee contribution amount reaching \$1,700 in Q1, while the average employer contribution increased to \$1,430.
- **The number of 403(b) accounts reached record levels.** The number of individuals with a 403(b) account at Fidelity increased to 6.1 million at the end of Q1, an increase of nearly half a million (456,000) accounts over the past year and a 43% increase over the past five years.

“One of the most important aspects of a retirement savings strategy is making sure you’re contributing enough to reach your goals,” said [Kevin Barry](#), president of Workplace Investing at Fidelity Investments. “While the growth of account balances is due to a combination of market performance and savings, both are critical to reaching long term retirement savings goals. Fidelity recommends [saving at least 15% of your income](#) for retirement and it’s encouraging to see that, on average, people are saving more for retirement.”

10-Year Analysis Shows Significant Growth in 401(k) Accounts, More Balanced Allocation

In light of the 10-year anniversary of the stock market reaching all-time lows during the financial downturn, Fidelity examined the accounts of 1.64 million individuals who have had the same 401(k) account since Q1 2009, and compared their current 401(k) account balance with their average balance 10 years ago. The following chart outlines the overall increase in balances for this group, along with specific analysis for millennials, Gen Xers and boomers⁵ within the overall population of 10-year continuous savers:

	Average 401(k) balance – Q1 2009	Average 401(k) balance – Q1 2019	Cumulative percentage change
Overall	\$52,600	\$297,700	466%
Millennials	\$7,000	\$129,800	1762%
Gen X	\$37,000	\$268,900	626%
Boomers	\$76,500	\$357,200	367%

** Average balances in this analysis include 1.64 million accounts that have been continuously invested in the same 401(k) plan over the past 10 years. Past performance is no guarantee of future results.*

Fidelity’s 10-year analysis also highlighted how the average asset allocation within 401(k) accounts has gradually shifted to become more diversified, which can be partially attributed to the increasing use of target date funds among 401(k) savers. As of Q1 2019, 52% of individuals had all of their 401(k) savings in a target date fund, compared with just 16% in Q1 2009. In addition, a much lower percentage of individuals had all of their 401(k) savings in stocks -- only 7% of individuals had an all-stock 401(k), compared with 15% who had an all-stock 401(k) allocation in Q1 2009.

For more information on Fidelity’s Q1 2019 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 \$2.7 trillion as of March 31, 2019, we focus on meeting the unique needs of a diverse set of customers: helping more than 30 million people invest their own life savings, 22,000 businesses manage employee benefit programs, as well as providing more than 13,500 financial advisory firms with investment and technology solutions to invest their own clients’ money. Privately held for more than 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.

Target Date Funds are an asset mix of stocks, bonds and other investments that automatically becomes more conservative as the fund approaches its target retirement date and beyond. Principal invested is not guaranteed.

Fidelity Investments Institutional Services Company, Inc.,
500 Salem Street, Smithfield, RI 02917

National Financial Services LLC, Member NYSE, SIPC,
200 Seaport Boulevard, Boston, MA 02110

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¹ Dow Jones Industrial Average dropped to 6,443 on March 6, 2009, the lowest level recorded during the financial crisis of 2007-2008.

² Analysis based on 22,800 corporate defined contribution plans and 16.9 million participants as of March 31, 2019. 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.

³ Fidelity IRA analysis based on 9.7 million Personal Investing IRA accounts, as of March 31, 2019 and includes all IRAs except for small business IRAs and IRAs distributed through the advisor-sold market.

⁴ Analysis based on 10,600 defined contribution plans, including 403(b), 401(a), 401(k) and 457(b) qualified plans, and 6.1 million participant accounts, for 4.6 million unique individuals, in the tax-exempt market, as of March 31, 2019.

⁵ Generational start/end dates were chosen to align with Pew Research. Boomers (born 1946 - 1964), Gen X (born 1965 - 1980), and Millennials (born 1981 - 1997).