



# How much money is enough for a comfortable retirement?

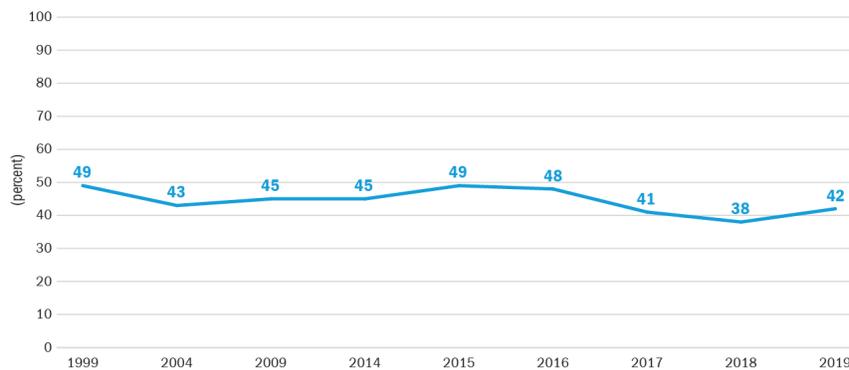
December 30, 2019

*Many of us believe we're doing a good job saving for retirement. But not everyone runs the numbers.*

A lot of people feel like they're putting enough money away for retirement. Still, only about 40 percent of workers say that either they or their spouse have actually tried to figure out how much money they'll need to retire comfortably, according to the Employee Benefit Research Institute's (EBRI) 29th Annual Retirement Confidence Survey.

## ▶ Workers believe they are doing a good job saving, but haven't done key calculations

Percentage of workers who say they have tried to figure out how much money to have saved in order to live comfortably in retirement



Source: 2019 EBRI/Greenwald Retirement Confidence Survey.

If you're looking to run the numbers yourself, there are online tools and calculators that can give you a rough estimate. But everyone's situation is unique and unpredictable, which can make it hard to generate a figure you can be confident in on your own.

Ask yourself these questions when determining your savings target:

- **How many more years do you want to work?** Postponing your retirement for a few years can give your savings more time to grow. You'll also reduce the number of years in retirement that your nest egg will have to cover.
- **What level of investment risk are you comfortable with?** Taking more risk may boost returns, but it could also lead to stomach-churning volatility that may



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drive you to sell when prices are low. On the other hand, being too cautious could cause you to undershoot your long-term goals.

- **How's your health?** Thanks to longer lifespans, many of us will spend 20, 30, or more years living in retirement. But health care costs are also rising. More than one-third of retirees in the EBRI survey say that their medical expenses in retirement are higher than they expected.
- **Where do you want to live in retirement?** Many of us have much of our wealth tied up in our homes. If you move to a lower cost area, it may reduce your overall expenses in retirement, while freeing up equity that could be used as a source of income.
- **Could a financial advisor help?** An advisor can help you prepare for retirement, using their experience to walk you through creating your own plan. They can help you find answers to the questions above and also guide you through other milestones and decisions in retirement.



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