

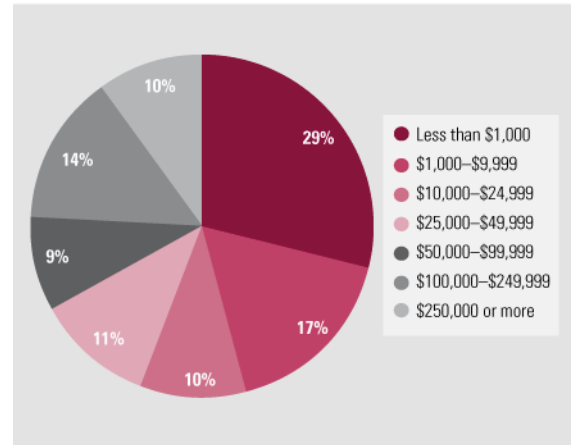
Bleak Picture

- ▶ This article points to the serious lack of retirement savings in the U.S. The recent financial crisis of 2008 - 2009 and the current debt crisis aside, I believe another crisis facing many is a retirement savings crisis.
- ▶ Too many are inadequately prepared financially for retirement often due to (1) a lack of understanding how much needs to be saved or (2) a lack of financial flexibility to save sufficiently.

The Employee Benefit Research Institute (EBRI) is an organization founded in 1978 with the mission of encouraging and contributing to the development of sound employee-benefit programs. Every year, the EBRI publishes a retirement confidence survey. The 2011 survey interviewed 1,004 workers and 254 retirees in order to find out their confidence in being able to meet retirement financial goals.

Unfortunately, the survey results look pretty bleak this year. For example, as the image illustrates, 29% of workers report having saved less than \$1,000, and 17% report retirement savings in the \$1,000–\$9,999 range. Overall, more than half of workers have less than \$25,000 saved, at a time when people start questioning if \$1 million will be sufficient for a safe retirement. Take a minute and see if you recognize yourself in this picture.

Total Savings and Investments Reported by Workers



Source: EBRI 2011 Retirement Confidence Survey, No. 355, March 2011. Savings reported not including value of primary residence or defined-benefit plans. Percentages may not add up to 100% because of rounding.

©2011 Morningstar, Inc. All Rights Reserved. The information contained herein (1) is intended solely for informational purposes; (2) is proprietary to Morningstar and/or the content providers; (3) is not warranted to be accurate, complete, or timely; and (4) does not constitute investment advice of any kind. Neither Morningstar nor the content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. "Morningstar" and the Morningstar logo are registered trademarks of Morningstar, Inc.



Louis E. Conrad II, CFA
President

COMPASS Wealth Management
Post Office Box 250
Lexington, Massachusetts 02420

lconrad@compassinvest.com
www.compassinvest.com

Tel: (978) 828-5681
Fax: (781) 862-7030