

2011 RCS FACT SHEET #1

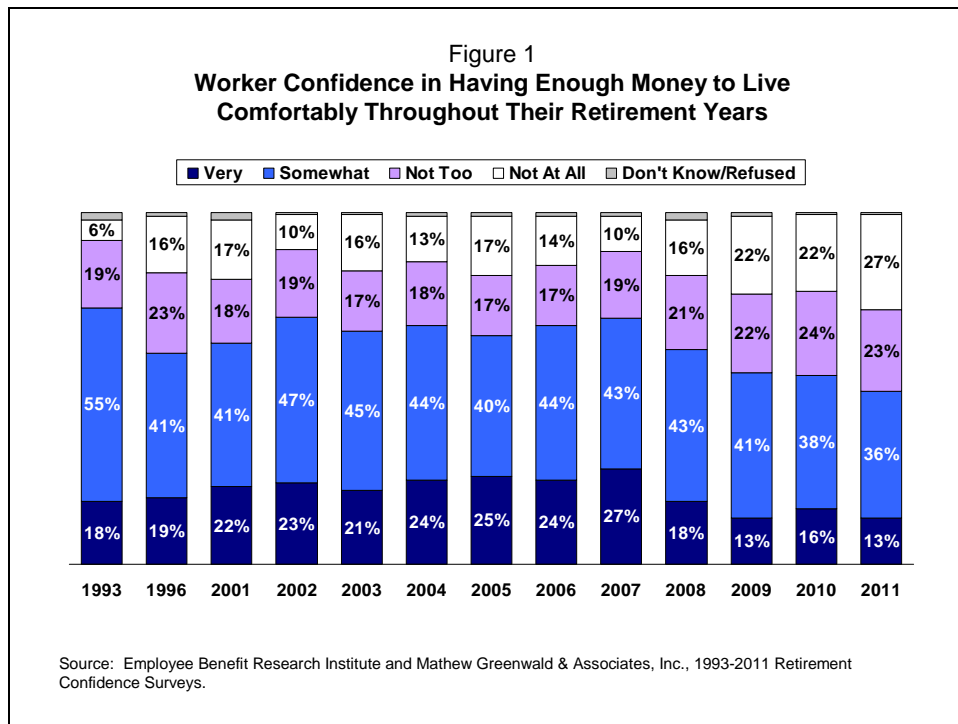
Retirement Confidence

The past few years saw a sharp decline in Americans' confidence about their ability to secure a financially comfortable retirement. What has happened to confidence now that some economic indicators are improving?

Confidence in Having a Comfortable Retirement

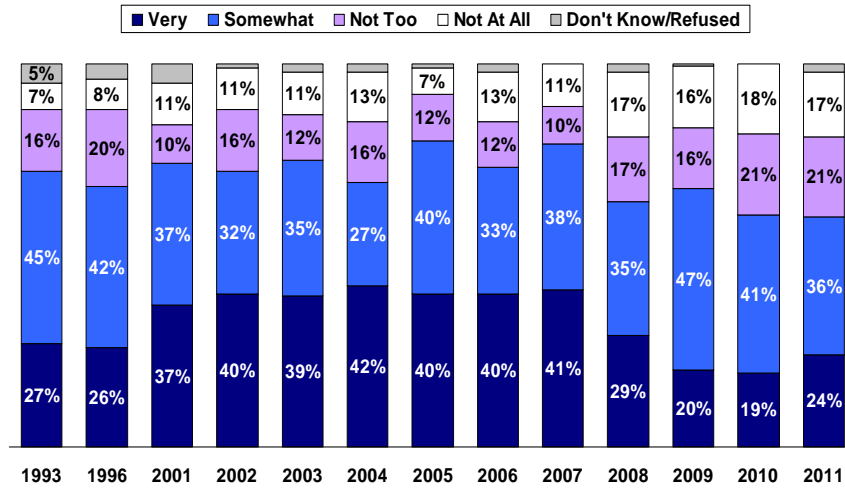
The 2011 Retirement Confidence Survey (RCS) finds that worker confidence in having enough money to live comfortably throughout their retirement years has continued to decline. The percentage of workers reporting they are not at all confident has climbed to a new high of 27 percent (up from 22 percent in 2010 and the recent low of 10 percent in 2007).

Thirteen percent of workers now say they are very confident about having a comfortable retirement, level with the low of 13 percent observed in 2009 and well below the high of 27 percent observed in 2007 (Figure 1).



Retiree confidence in having enough money for a comfortable retirement, which leveled off in 2010, is statistically unchanged. Twenty-four percent say they are *very* confident, and 17 percent indicate they are not at all confident about having a comfortable retirement (Figure 2, next page).

Figure 2
Retiree Confidence in Having Enough Money to Live Comfortably Throughout Their Retirement Years

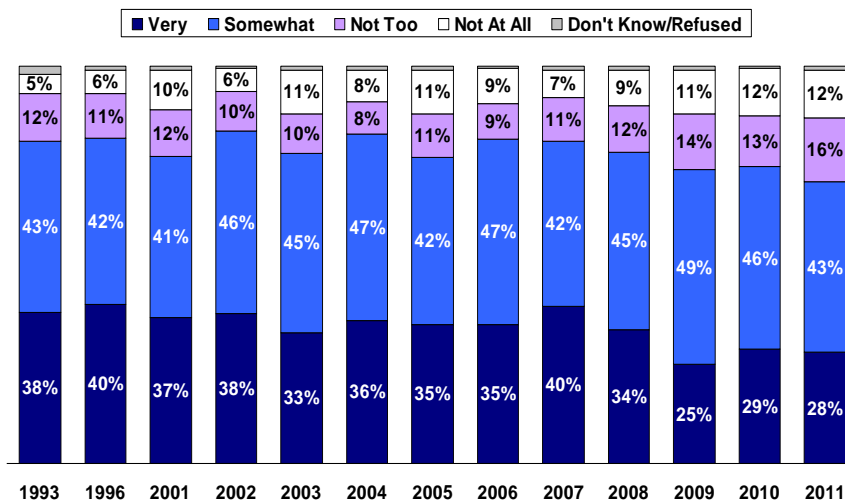


Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Worker Confidence in Other Financial Aspects of Retirement

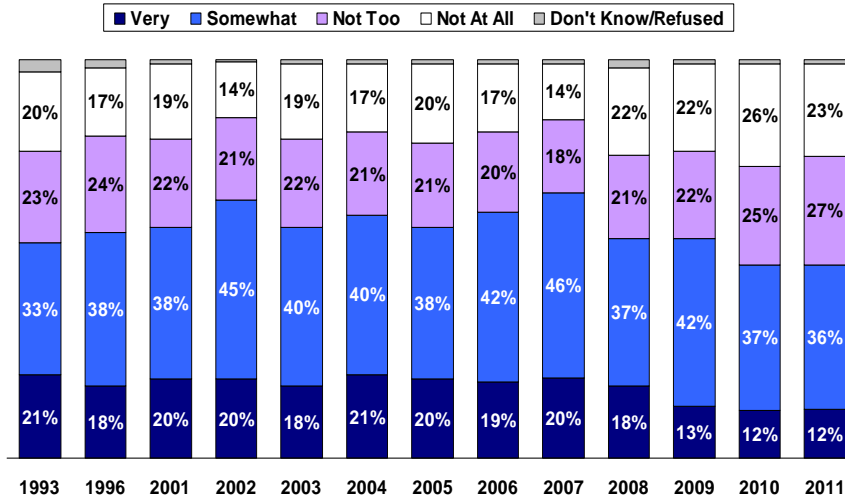
Worker confidence levels in having enough money to pay for basic expenses, medical expenses, and long-term care expenses are statistically unchanged from 2010 and remain well below those measured in 2007 (Figures 3, 4, and 5).

Figure 3
Worker Confidence in Having Enough Money to Pay for Basic Expenses in Retirement



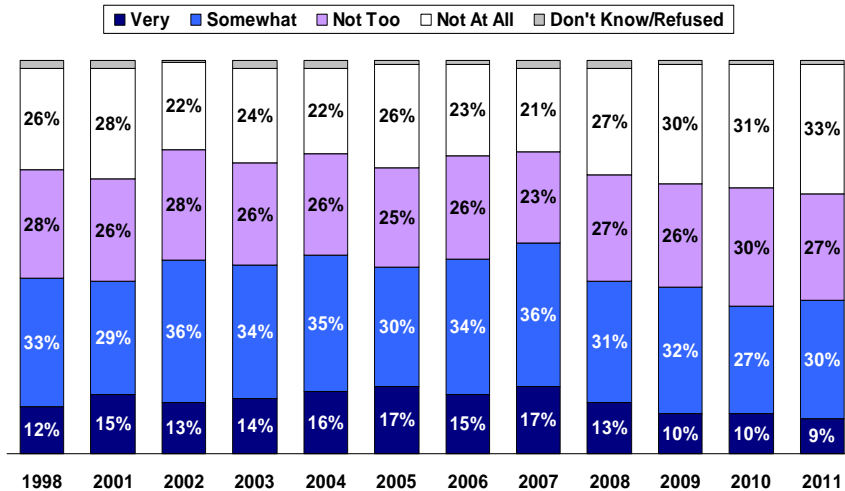
Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Figure 4
Worker Confidence in Having Enough Money to Pay for Medical Expenses in Retirement



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

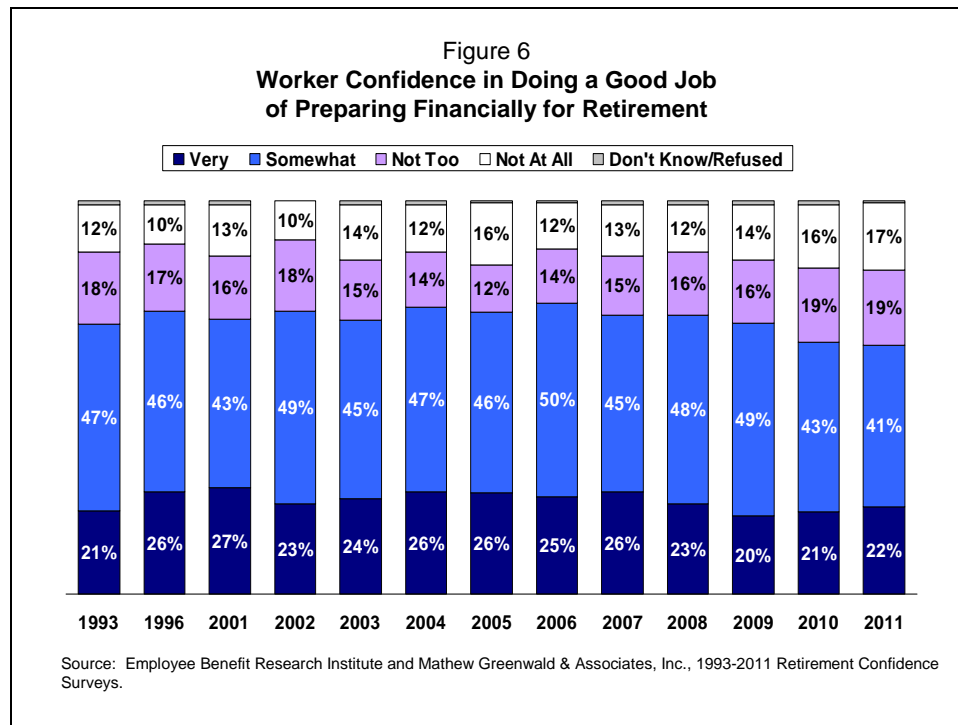
Figure 5
Worker Confidence in Having Enough Money to Pay for Long-Term Care Expenses in Retirement



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1998-2011 Retirement Confidence Surveys.

The percentage of workers saying they are very confident that they are doing a good job of preparing for retirement remains level (22 percent in 2011, statistically equivalent to the 20 percent measured in 2009 and 23 percent measured in 2008). However, the percentage not at all not confident in their financial

preparations for retirement is slowly creeping upwards, from 12 percent in 2006 to 14 percent in 2009 to 17 percent in 2011 (Figure 6).



Retiree Confidence in Other Financial Aspects of Retirement

Retiree confidence about these financial aspects of retirement shows little change since 2009. The percentages saying they are very confident about having enough money for basic expenses (35 percent in 2011, 33 percent in 2010, 34 percent in 2009), medical expenses (27 percent in 2011, 23 percent in 2010, 25 percent in 2009), and long-term care expenses (16 percent in 2011, 13 percent in 2010, 15 percent in 2009) are statistically unchanged. The percentage very confident that they did a good job of preparing financially for retirement has also remained stable (31 percent in 2011, 30 percent in 2010, and 28 percent in 2009).

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