



Boomers Hitting Retirement with Fewer Assets in Hand

Cambridge, Mass., (January 18, 2011) – Driven by a significant one-year increase in the percentage of 55-64 year olds who are fully retired, a third (33%) of affluent Americans have now cashed their last paycheck. However, as this first wave of Boomers, those born between 1946 and 1955, enter retirement they are doing so with on average 12% fewer assets today than they had four years ago. This and other findings are included in the recently released Cogent Research 2011 Investor Brandscape™ report. The report is based on a nationally representative survey of 4,000 affluent consumers with at least \$100,000 in investable assets. Cogent Research has been conducting the study since 2006.

According to this year's results, as of October 2010, 1st Wave Boomers have an average of \$708,000 in investable assets, including money from retirement savings, compared to the \$809,000 this same group reported in October of 2006. While less affluent overall, younger 2nd Wave Boomers, ages 45-54 appear to be in better shape, since only 5% are currently retired, and as a group, average investable assets among 2nd Wave Boomers has grown by 10% since 2006.

Cogent Principal John Meunier points to a movement last year among 1st Wave Boomers to lower risk investments as a factor that may have actually worsened their current predicament. "We saw a significant increase among older Boomers last year in allocations to lower risk investments just as the market was rebounding. Unfortunately, this only served to dampen their ability to regain losses sustained in the downturn."

In contrast to their older neighbors and friends, 2nd Wave Boomers were helped last year not only by greater overall equity exposure, but also through renewed interest and greater participation in employer-sponsored retirement plans. Specifically, Employer Sponsored Retirement Plan (ESRP)

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ownership among investors ages 45-54 increased from 79% in 2009 to 84% in 2010, and as a proportion of their total investable assets, money in retirement plans increased from 45% to 50% in the same timeframe.

“It’s definitely a good sign that both retirement plan participation and contributions are up significantly over last year, said Meunier. “It signals that investors are once again thinking ahead and planning for the future, instead of last year when they were still hunkered down waiting for the storm to pass.”

About Cogent Research

Cogent Research helps clients gain clarity, obtain perspective, and formulate direction on critical business issues. Founded in 1996, Cogent provides custom research, syndicated research products, and evidence-based consulting to leading organizations in the financial services, life sciences, and consumer goods industries. Through quality research, advanced analytics, and deep industry knowledge, Cogent Research delivers data-driven solutions and strategies that enable clients to better understand customers, define products, and shape market opportunities in order to increase revenues and grow the value of their products and brands.

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