

Millennials and Saving

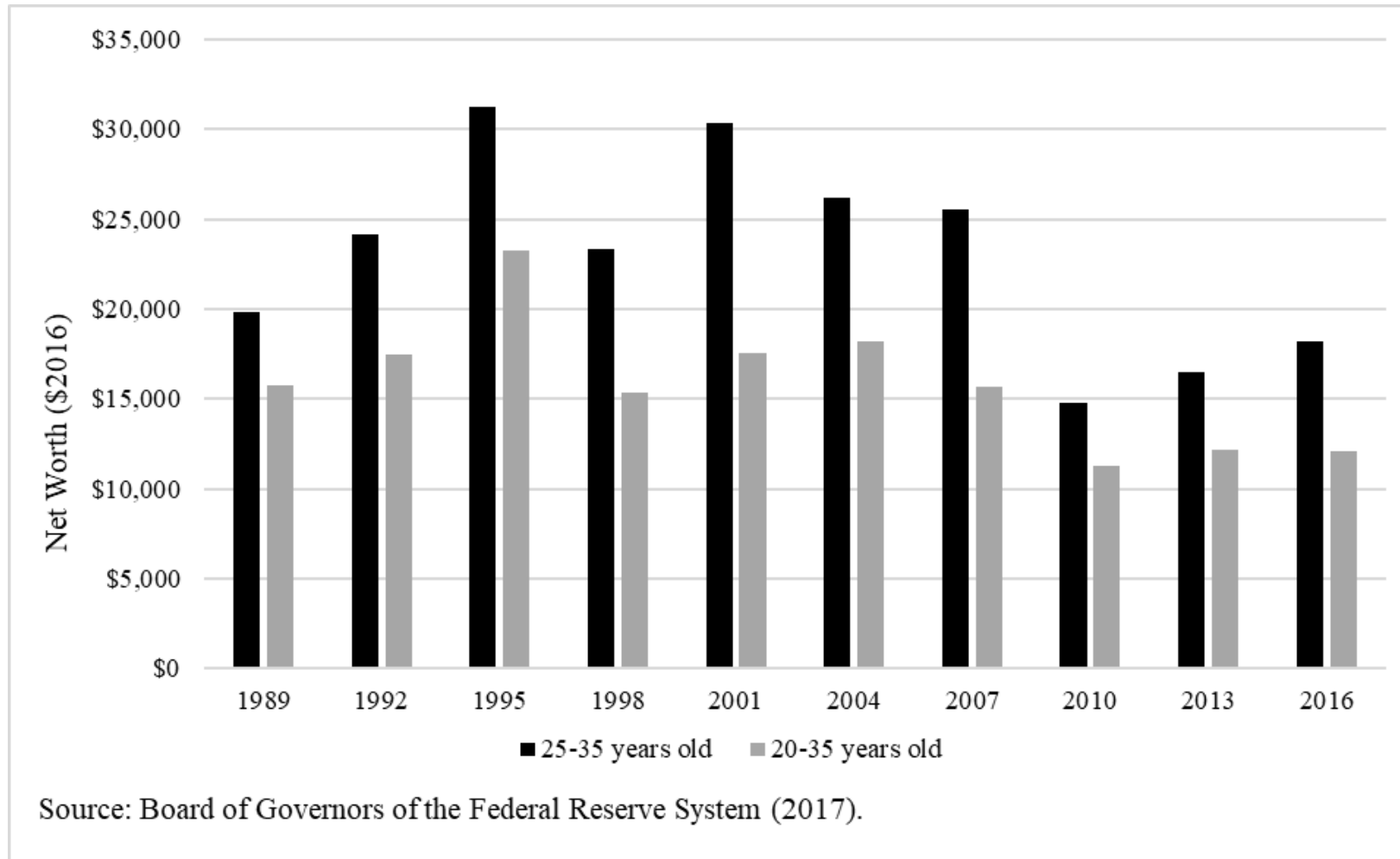
Peterson Foundation US 2050 Conference

March 22, 2019

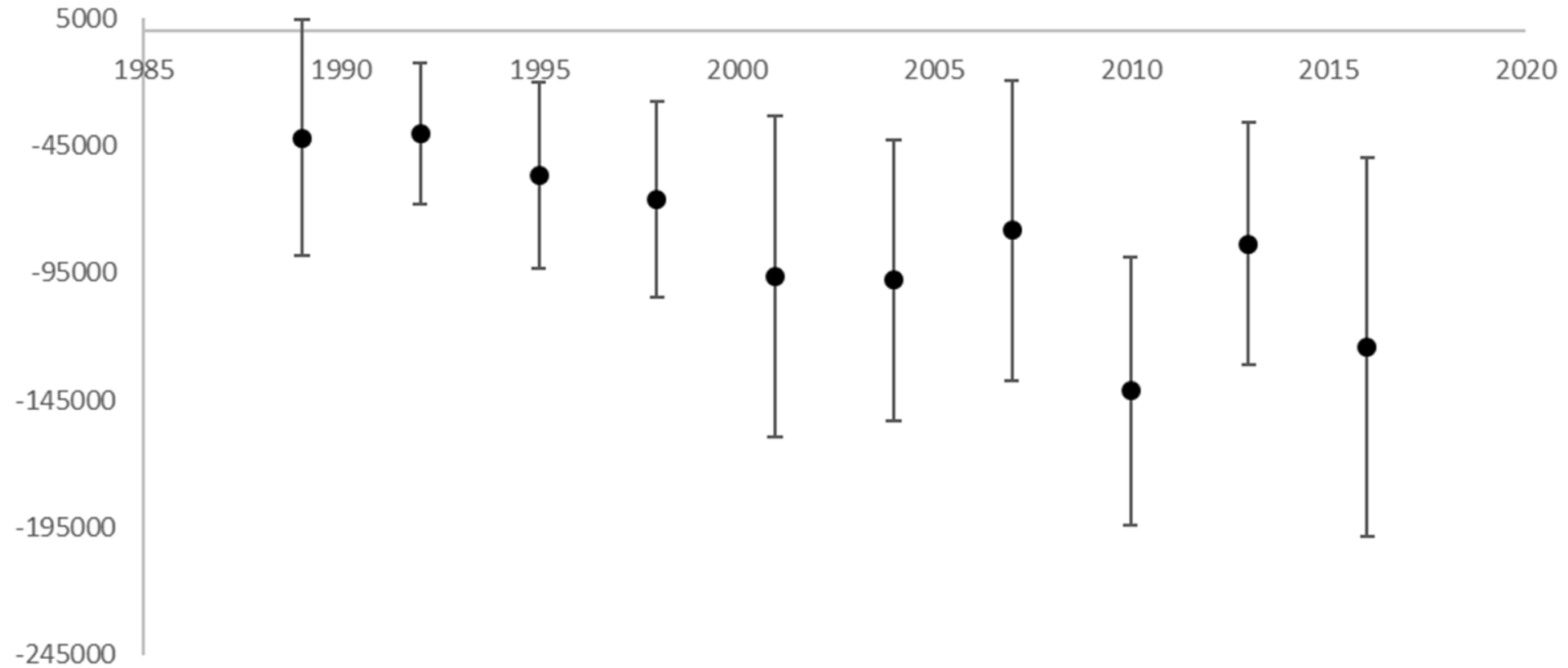
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Median Net Worth Among Young Households (1989-2016)



Coefficient on African American Variable

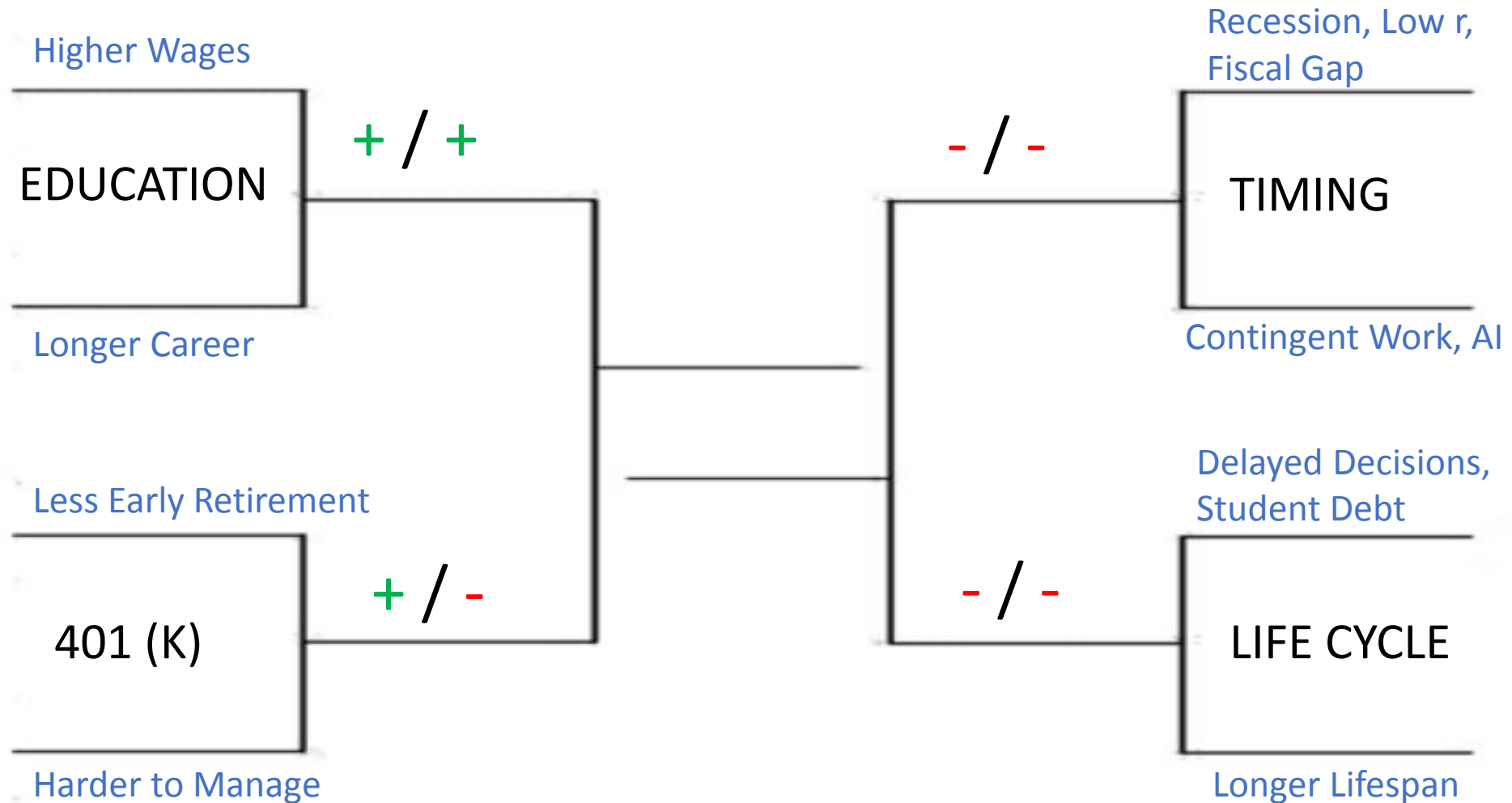


The regression shows the coefficient (and 2-standard-error bounds) for an indicator variable for African American households, in a regression of wealth on age and income categories, education, and race/ethnicity. All figures are in 2016 dollars.

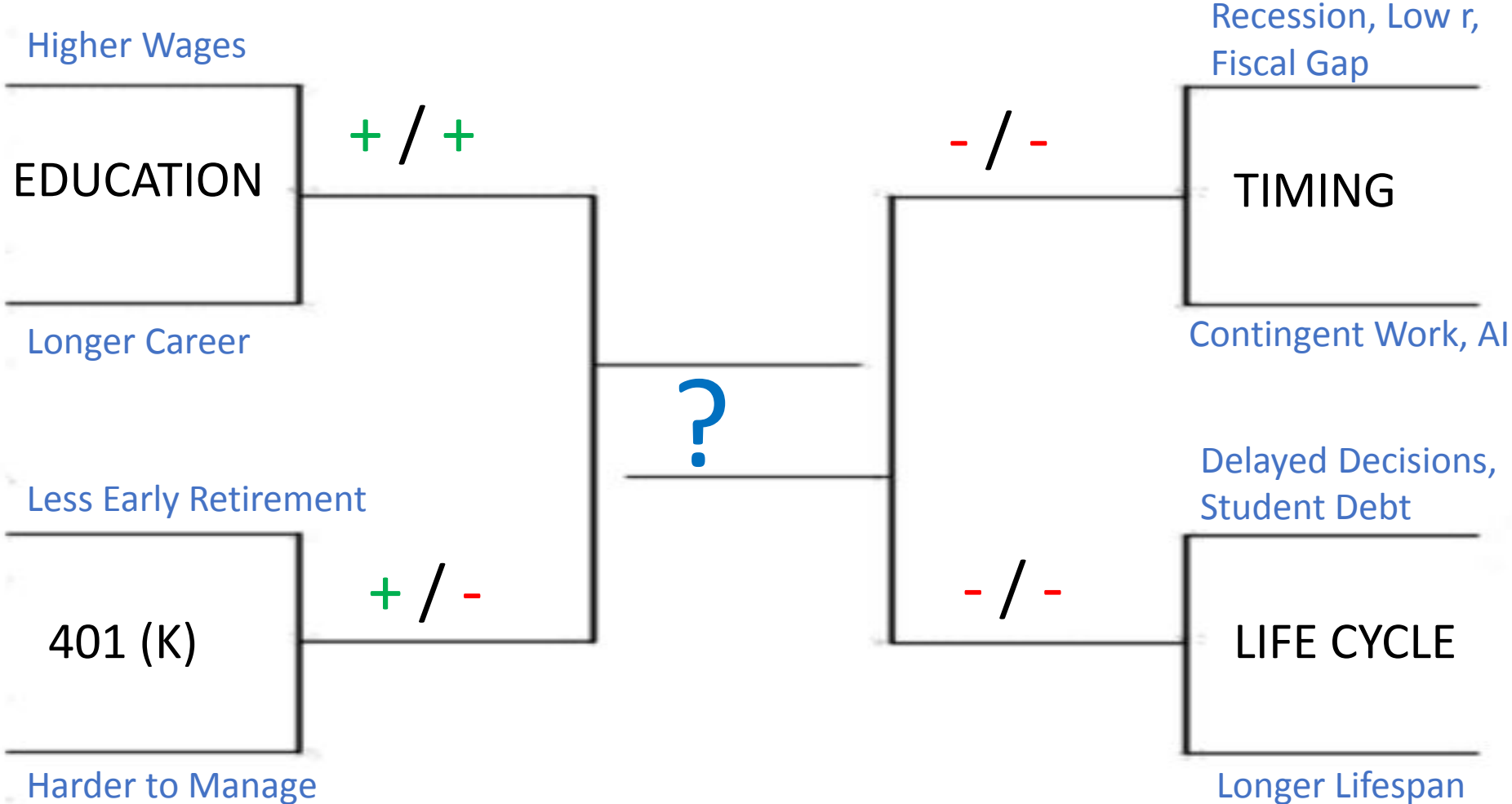
Headwinds and Tailwinds Facing Millennials

- More Educational attainment
- Shift from DB to DC plans
- Bad Timing – Macro and Micro Trends
- Adverse changes in the Life Cycle

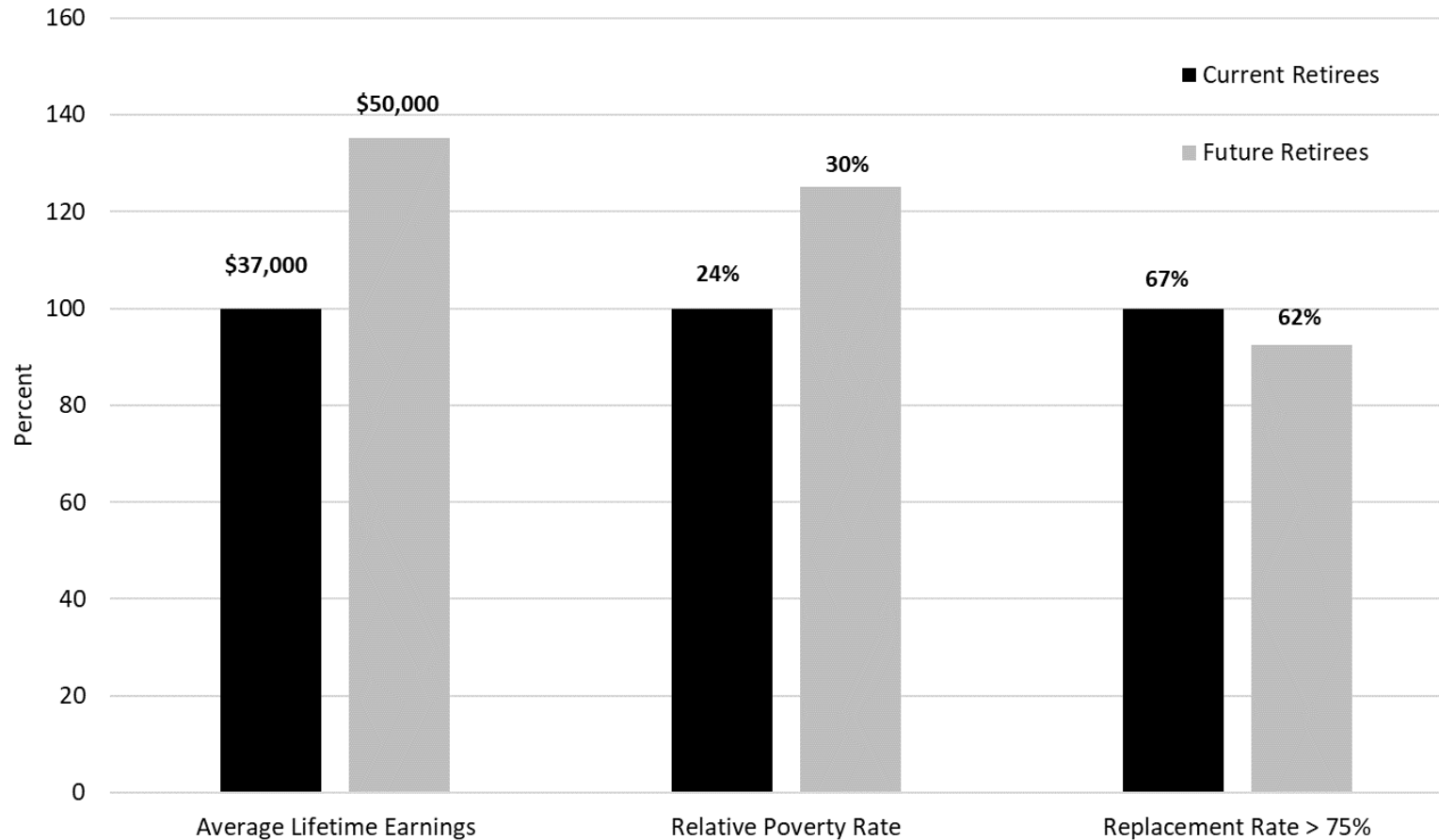
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GenX and Early Millennials vs. Current Retirees



Note: Vertical axis indexes measures for future retirees as a share of those for current retirees. Relative poverty rate represents the share with incomes less than 50 percent of the median across all age groups.

Source: Butrica (2019)