

A KIPLINGER – PERSONAL CAPITAL POLL

Reacting to Market Volatility

Americans who are saving for retirement are worried about market swings and potential downturns.

Many Americans saving for retirement are wary of stocks and have moved a significant portion of their money into cash. In the wake of future volatility for the stock market, they say they are willing to make more changes to their investments, make lifestyle compromises or delay retirement. Nearly half say the economy is slowing, nearly one-third believe the U.S. will be in a recession by the end of 2020, and more than one-third expect the market to decline during 2020. Plus, some four out of 10 respondents are checking their portfolio either daily or weekly.

Those are a few of the conclusions of a new poll conducted by Kiplinger in partnership with the wealth management firm Personal Capital. We surveyed a national sampling of 850 preretirees age 40 and above who have at least \$100,000 in household net worth (excluding a primary residence). Respondents were equally divided between men and women.

The median amount saved for retirement among all respondents is \$513,100, but among respondents 60 or older, that figure jumps to \$707,760. Those figures are still well short of the median amount they expect to need in retirement: about \$1.23 million. Even so, more than two-thirds are very confident or somewhat confident that they have saved (or will save) enough for a comfortable retirement.

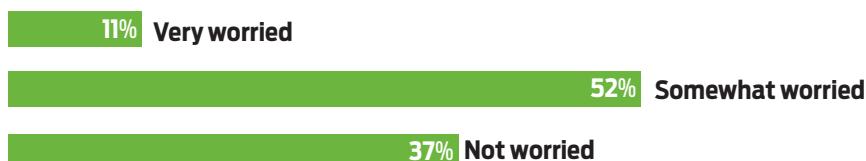
We've included highlights from the poll here. Figures are medians unless otherwise indicated.

What is your asset allocation?

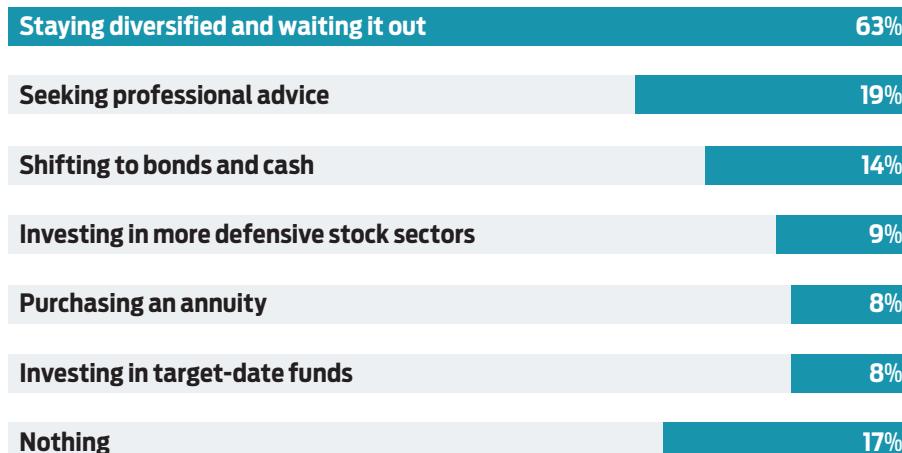
Respondents have a relatively low stock allocation and high levels of cash. In fact, they are holding more cash than bonds:



How worried are you about stock market declines currently?

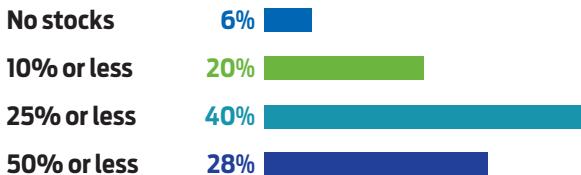


What are you doing now to deal with stock market volatility?

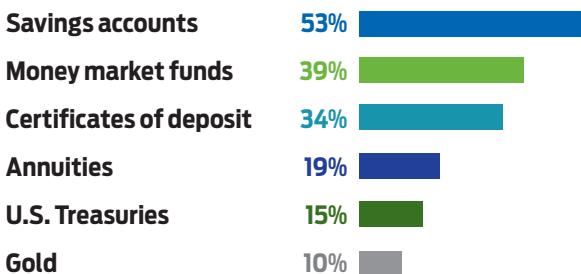


How low would you go in your allocation to stocks?

Nearly half of respondents would consider reducing investments in stocks to deal with market volatility. Here's how much they'd trim stock holdings:

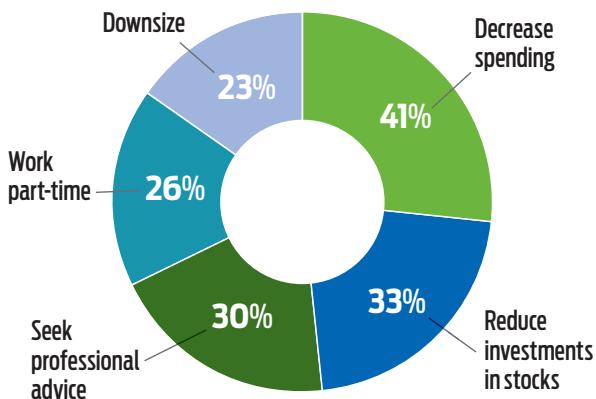


Which of the following investments have you increased (or would you increase) in a volatile market?



LOOKING AHEAD TO RETIREMENT

What would you do to deal with market volatility during retirement? (top five)



DELAYING RETIREMENT

More than one-fourth (27%) said a downturn in the value of their investments would cause them to consider delaying retirement. Among those respondents, we asked:

How much would your investments need to decline for you to consider delaying retirement?

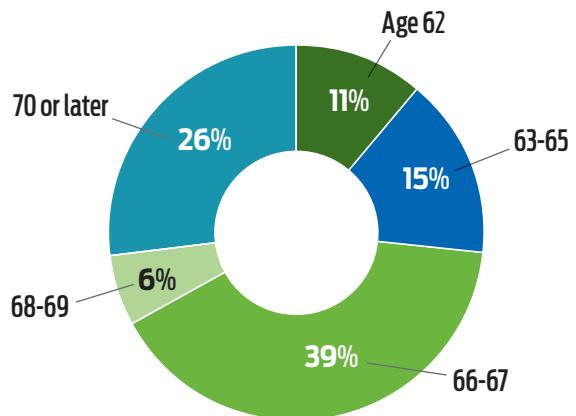


How long would you be willing to delay retirement to give your investments time to recover?



MARKET VOLATILITY AND SOCIAL SECURITY

At what age do you plan to claim Social Security?



Would you consider taking Social Security earlier than planned to give your portfolio time to recover from a downturn?

