

A KIPLINGER – PERSONAL CAPITAL POLL

# The Pandemic Is Reshaping Retirement

Inflation tops health care costs as the top concern, and many preretirees are boosting their saving rate.

The pandemic has altered retirement plans for some Americans, and inflation has emerged as a top concern, according to a new national poll of retirees and near-retirees by Kiplinger and wealth management firm Personal Capital.

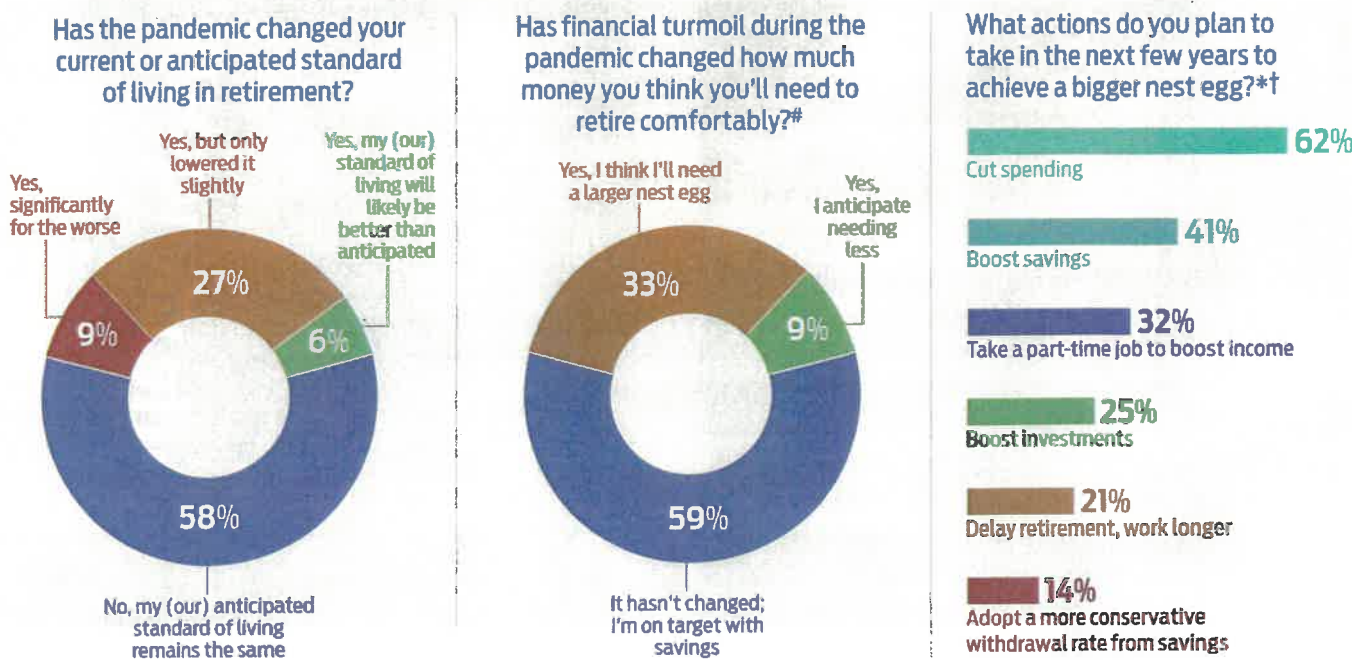
One-third of respondents in the poll say the pandemic has convinced them that they will need a bigger nest egg for retirement. And 36% believe it has lowered their current (or anticipated) standard of living. Nevertheless, most respondents say they are still confident that they will have enough income to live comfortably throughout retirement.

Among those who are planning to retire within the next five years, more than four out of 10 have already started saving more. Nearly one-fourth have delayed their retirement date, and a similar percentage say they now plan to work part-time in retirement.

Investors have largely stayed the course since early 2020, despite a volatile stock market. Most respondents (63%) say their investment

outlook has not changed since early 2020, even after a sudden but short-lived bear market that was followed by stocks scaling to new heights. But more than one-fifth say they have become more risk averse after seeing how quickly the market can change. Only 13% report feeling more bullish about stocks.

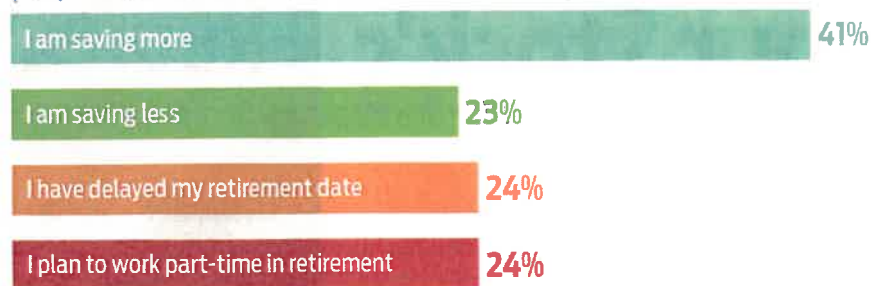
Higher-income investors (\$200,000+) were almost three times more likely than less-affluent investors to say they became increasingly bullish in 2020 and added stocks to their portfolio. They were also more likely to report a “significant” increase in the value of their portfolio during the pandemic compared with investors who have lower income. The asset allocation of investors remains conservative across genders and ages and regardless of whether investors are retired or not. On average, portfolios were made up of 35% stocks, 26% cash, 15% bonds, 9% real estate and 15% other. (We’ve included highlights from the poll here. Figures are medians unless otherwise indicated.)



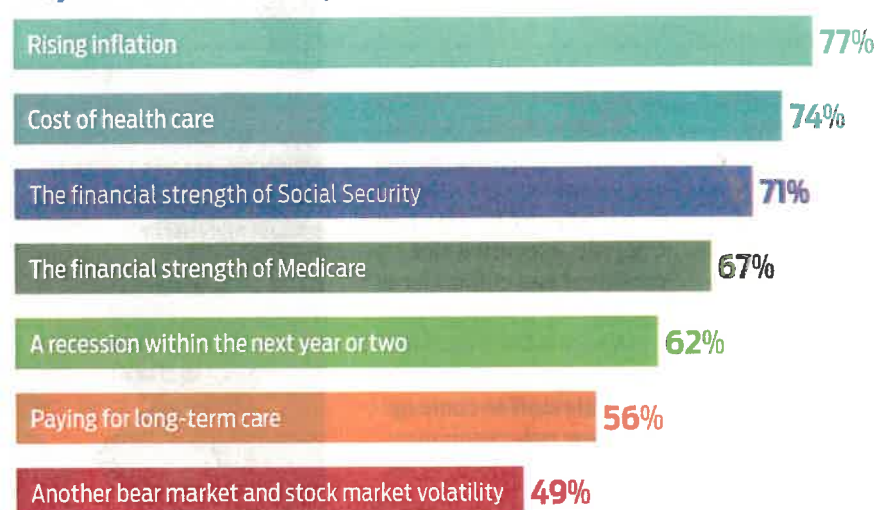
**METHODOLOGY** The poll, conducted by Qualtrics in late June, surveyed a national sampling of 772 people age 40 and older (median age 67) who are fully or partially retired or who are planning to retire within the next five years. They had a net worth of at least \$100,000, and the median household net worth (excluding primary residence) was \$422,066. The respondents were equally divided between men and women.

#Percentages do not add up to 100% due to rounding. \*Among respondents who say they'll need a larger nest egg. †Respondents were asked to select all answers that apply.

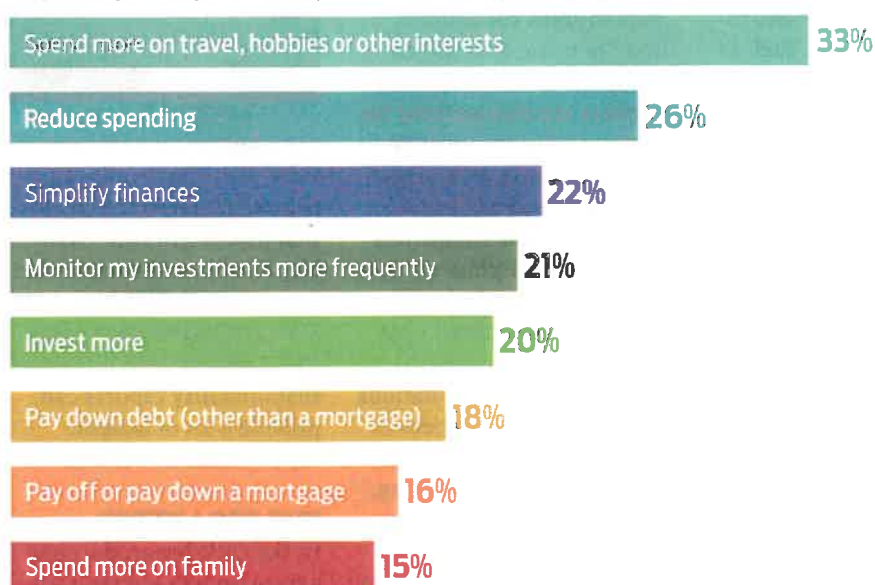
**What impact has the pandemic had on your retirement planning? (Respondents were within five years of retirement.)†**



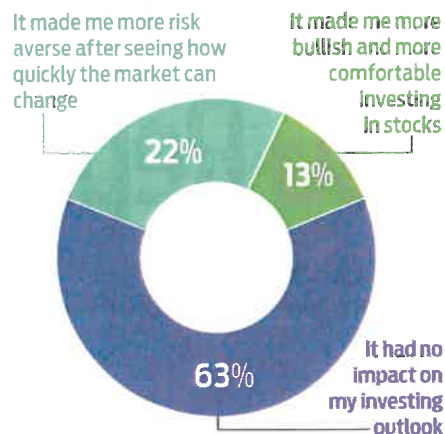
**Rate your top financial/economic concerns (the following were rated "very/somewhat concerned").**



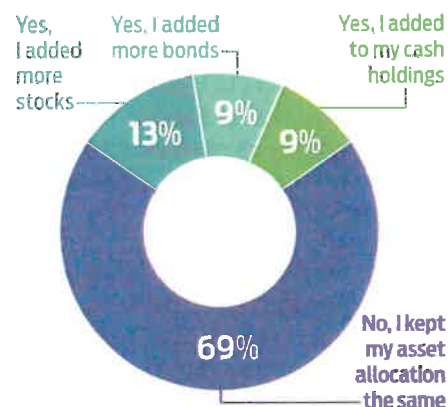
**What are your top financial goals for the next 12 months?**



**How did the brief 2020 bear market and the stock market's return to new highs affect your investing outlook?**



**Have you changed your portfolio's asset allocation (mix of stocks, bonds and cash) during the pandemic?**



**What is the current asset allocation for your investment portfolio or retirement accounts?**

