Retirement savings checkpoints

Current age	Current household income $30,000	$40,000	$50,000	$60,000	$70,000	$80,000	$90,000
		Checkpoint (x current household income)					
25	See "Annual savings needed" on slide 16*	0.1	0.1	0.3	0.5	0.6	0.8
30		0.2	0.5	0.7	1.0	1.1	1.3
35		0.6	0.9	1.1	1.5	1.7	1.9
40	0.3	1.1	1.4	1.7	2.2	2.4	2.6
45	0.7	1.6	2.1	2.4	3.0	3.2	3.5
50	1.1	2.3	2.8	3.2	3.9	4.1	4.5
55	1.7	3.0	3.6	4.1	4.8	5.2	5.6
60	2.2	3.7	4.4	4.9	5.8	6.1	6.7
65	2.5	4.1	4.9	5.5	6.5	6.9	7.5

Model assumptions

Annual gross savings rate: 5%

Pre-retirement portfolio: 60/40 diversified portfolio

Post-retirement portfolio: 40/60 diversified portfolio

Inflation rate: 2.3%

Retirement age:
- Primary earner: 65
- Spouse: 63

Years in retirement: 35

This analysis assumes you would like to maintain an equivalent lifestyle in retirement.
Household income is assumed to be gross income (before taxes and savings).

How to use:
- Go to the intersection of your current age and your closest current household income.
- Multiply your current household income by the checkpoint shown. This is the amount you should have saved today, assuming you continue contributions of 5% going forward.
- **Example: For a 40-year-old with a household income of $50,000: $50,000 x 1.4 = $70,000**

*Households age 25-35 earning $30k may need to save less than the 5% annual savings rate assumed in this analysis. If they were to save 5% annually going forward they would not need to have current assets to be on track. They should refer to the annual savings rate they need to be saving today found on slide 16. This chart is for illustrative purposes only and must not be relied upon to make investment decisions. J.P. Morgan Asset Management's (JPMAM) model is based on proprietary Long-Term Capital Market Assumptions (first 10 years) and equilibrium returns, and an 80% confidence level. Portfolios are described as equity/bond percentages (e.g., a 40/60 portfolio is 40% equities and 60% bonds). Assumptions include household income replacement rates shown on slide 15. Consult with a financial professional for a more personalized assessment. Allocations, assumptions and expected returns are not meant to represent JPMAM performance. Given the complex risk/reward trade-offs involved, we advise clients to rely on judgment as well as quantitative optimization approaches in setting strategic allocations. References to future returns for either asset allocation strategies or asset classes are not promises or even estimates of actual returns a client portfolio may achieve.

Current age	Current household income						
	$100,000	$125,000	$150,000	$175,000	$200,000	$250,000	$300,000
	Checkpoint (x current household income)						
25	0.1	0.3	0.5	0.7	0.8	1.0	1.2
30	0.6	1.0	1.2	1.5	1.6	1.9	2.1
35	1.5	1.9	2.2	2.5	2.7	2.9	3.2
40	2.5	3.0	3.3	3.7	3.9	4.2	4.6
45	3.6	4.3	4.7	5.1	5.4	5.8	6.2
50	5.0	5.8	6.3	6.7	7.1	7.6	8.0
55	6.5	7.5	8.0	8.5	8.9	9.5	10.0
60	8.0	9.1	9.7	10.3	10.8	11.4	12.0
65	9.3	10.5	11.1	11.8	12.3	13.0	13.7

This analysis assumes you would like to maintain an equivalent lifestyle in retirement.
Household income is assumed to be gross income (before taxes and savings).

How to use:

- Go to the intersection of your current age and your closest current household income.
- Multiply your current household income by the checkpoint shown. This is the amount you should have saved today, assuming you continue contributions of 10% going forward.
- **Example: For a 40-year-old with a household income of $100,000: $100,000 x 2.5 = $250,000**

Model assumptions

Annual gross savings rate: **10%**

Pre-retirement portfolio: **60/40 diversified portfolio**

Post-retirement portfolio: **40/60 diversified portfolio**

Inflation rate: **2.3%**

Retirement age:

- Primary earner: **65**
- Spouse: **63**

Years in retirement: **35**

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Current age	Current household income						
	$30,000	$40,000	$50,000	$60,000	$70,000	$80,000	$90,000
	Savings rate (x current household income)						
25	3%	5%	5%	6%	7%	8%	8%
30	4%	6%	7%	8%	9%	10%	10%
35	5%	8%	9%	10%	12%	13%	14%
40	6%	10%	12%	14%	16%	17%	18%
45	9%	14%	17%	19%	22%	23%	25%
50	13%	21%	25%	28%	33%	35%	38%

Values assume you would like to maintain an equivalent lifestyle in retirement.
Household income is assumed to be gross income (before taxes and savings).

How to use:

- Go to the intersection of your current age and your closest current household income.

- This is the percentage of your current household income to contribute annually going forward if you have $0 saved for retirement today.

- **Example: A 40-year-old with household income of $50,000 and $0 saved for retirement today may need to save 12% every year until retirement.**

Model assumptions

Pre-retirement portfolio:
60/40 diversified portfolio

Post-retirement portfolio:
40/60 diversified portfolio

Inflation rate: **2.3%**

Retirement age:
- Primary earner: **65**
- Spouse: **63**

Years in retirement: **35**

This chart is for illustrative purposes only and must not be relied upon to make investment decisions. J.P. Morgan Asset Management's (JPMAM) model is based on a blend of proprietary Long-Term Capital Market Assumptions (first 10 years) and equilibrium returns, and an 80% confidence level. Portfolios are described as equity/bond percentages (e.g., a 40/60 portfolio is 40% equities and 60% bonds). Assumptions include household income replacement rates shown on slide 15. Consult with a financial professional for a more personalized assessment. Allocations, assumptions and expected returns are not meant to represent JPMAM performance. Given the complex risk/reward trade-offs involved, we advise clients to rely on judgment as well as quantitative optimization approaches in setting strategic allocations. References to future returns for either asset allocation strategies or asset classes are not promises or even estimates of actual returns a client portfolio may achieve.

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	Current household income						
Current age	$100,000	$125,000	$150,000	$175,000	$200,000	$250,000	$300,000
	Savings rate (x current household income)						
25	10%	11%	12%	13%	13%	14%	15%
30	13%	14%	15%	16%	17%	18%	19%
35	17%	19%	20%	21%	22%	23%	24%
40	22%	25%	27%	28%	29%	31%	33%
45	31%	35%	37%	39%	41%	43%	46%
50	46%	52%	55%	59%	61%	65%	68%

Values assume you would like to maintain an equivalent lifestyle in retirement. Household income is assumed to be gross income (before taxes and savings).

How to use:

- Go to the intersection of your current age and your closest current household income.
- This is the percentage of your current household income to contribute annually going forward if you have $0 saved for retirement today.
- **Example: A 40-year-old with household income of $100,000 and $0 saved for retirement today may need to save 22% every year until retirement.**

Model assumptions

Pre-retirement portfolio:
60/40 diversified portfolio

Post-retirement portfolio:
40/60 diversified portfolio

Inflation rate: **2.3%**

Retirement age:
- Primary earner: **65**
- Spouse: **63**

Years in retirement: **35**

This chart is for illustrative purposes only and must not be relied upon to make investment decisions. J.P. Morgan Asset Management's (JPMAM) model is based on a blend of proprietary Long-Term Capital Market Assumptions (first 10 years) and equilibrium returns, and an 80% confidence level. Portfolios are described as equity/bond percentages (e.g., a 40/60 portfolio is 40% equities and 60% bonds). Assumptions include household income replacement rates shown on slide 15. Consult with a financial professional for a more personalized assessment. Allocations, assumptions and expected returns are not meant to represent JPMAM performance. Given the complex risk/reward trade-offs involved, we advise clients to rely on judgment as well as quantitative optimization approaches in setting strategic allocations. References to future returns for either asset allocation strategies or asset classes are not promises or even estimates of actual returns a client portfolio may achieve.