Comparing Gen X’s Financial Status With Prior Generations of the Same Age

ASEC Symposium
April 30, 2019
Overview

Gen X-in this comparison to match the ages in the RCS birth years 1965-1976 (Ages 40-51 in 2016)

- Financial status indicators
  - Individual account retirement plan ownership
  - Any retirement plan ownership
  - Home ownership
  - Having debt

- Dollar values of financial indicators
  - Individual account retirement plan balances
  - Net worth values
  - Debt-to-asset ratios

- Data-Survey of Consumer Finances
  - Age of family head

Source: EBRI estimates of the SCF.
Percentage of Families Owning Various Financial Vehicles, by Age of Family Head, 2016

- **Homes**: Millennials (Ages less than 40) - 39.0%, Gen X (Ages 40-51) - 65.3%, Baby Boomers (Ages 52-64) - 72.9%
- **IRA Retirement Plan**: Millennials (Ages less than 40) - 45.8%, Gen X (Ages 40-51) - 60.1%, Baby Boomers (Ages 52-64) - 58.6%
- **Any Retirement Plan**: Millennials (Ages less than 40) - 51.5%, Gen X (Ages 40-51) - 66.9%, Baby Boomers (Ages 52-64) - 71.3%
- **Debt**: Millennials (Ages less than 40) - 82.5%, Gen X (Ages 40-51) - 86.8%, Baby Boomers (Ages 52-64) - 79.0%

Source: EBRI estimates of the SCF.

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Values of the Financial Vehicles
25th Percentile, Median, and 75th Percentile of Net Worth, by Age of Family Head, 2016

Source: EBRI estimates of the SCF.
25th Percentile, Median, and 75th Percentile of the Debt-to-Asset Ratio, by Age of Family Head, 2016

Source: EBRI estimates of the SCF.
25th Percentile, Median, and 75th Percentile of IA Retirement Plan Balances, by Age of Family Head, 2016

Source: EBRI estimates of the SCF.

(2016 Dollars)

Source: EBRI estimates of the SCF.

Source: EBRI estimates of the SCF.

(For Families Owning These Plans in 2016 Dollars)

Source: EBRI estimates of the SCF.
Characteristic Trends of Those Ages 40-51

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<td>48.6%</td>
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<td>2nd</td>
<td>64.2%</td>
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<td>81.0%</td>
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<td>3rd</td>
<td>88.4%</td>
<td>80.8%</td>
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<td>4th</td>
<td>92.3%</td>
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Source: EBRI estimates of the SCF.

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Source: EBRI estimates of the SCF.
(For Families Owning These Plans in 2016 Dollars)

Source: EBRI estimates of the SCF.

(2016 Dollars)

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Summary

• The families with heads ages 40-51 in 2016 appear worse off in all measures except for individual account retirement plan balances, which have increased over each year examined.

• However, other generations also look worse off in 2016 than what those of the same ages did in 2004.

• The families with heads ages 41-50 who have incomes in the 1st (lowest) income quartile are particularly worse off in 2016 relative to 2004. Those families in the 4th (highest) income quartile appear to be in a similar position as that of prior years.
Thank you

Next up: Retirement Income Adequacy