

Financial Wellness at Every Decade

Sometimes navigating your finances can feel like swimming against the tide, but with some financial wellness goals to keep you afloat, you can keep swimming until you reach calm waters.

Financial wellness has four key components:



strategy



protecting yourself with financial products



education



and having a relationship with a financial professional

Here are some markers to look out for at each decade of life to keep yourself swimming straight to a confident retirement.

Your 20s

DIVING IN

As you dive into the work world, stay mindful of the long game.

\$9,200
World-class saver annual average¹

FINANCIAL WELLNESS MARKERS:

One way to achieve financial wellness is becoming a world-class saver: saving 15–20% of your annual income.

Paying off debt
\$21,700
average student loan debt of an American adult in their 20s²



KEY ACTION ITEM

Establish a relationship with a financial professional and make a written financial strategy

Only 37% of working Americans have a written financial strategy.

Start contributing to your retirement fund
1%

Consider setting an annual 1% auto-increase within your employer sponsored retirement plan

Build an investment portfolio

Many financial professionals recommend growth vehicles at this age, transitioning into more risk averse options as you age

Protect your progress with a disability insurance policy
25%
of 20-year-olds will become disabled at some point in their working life³



Your 30s

SETTING THE PACE

As you continue your journey, focus on career development and prepare for milestones.

\$13,000
World-class saver annual average¹

FINANCIAL WELLNESS MARKERS:

Practice salary negotiation
70%
of managers expect a negotiation when they make a job offer⁴



KEY ACTION ITEM

Make a budget and run it by your financial professional

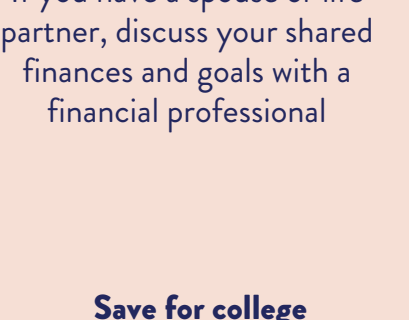
15% of high-income earners making over \$300,000 may have a hard time living within their means.⁵

Save for home ownership
\$93,000
average annual income of home buyers in the U.S.⁶

Start shopping for life insurance
20x

Term life insurance can be an affordable option as you work toward other financial milestones. Many financial professionals recommend 20x income protection for someone in their 30s.⁶

Build a credit history
680
average credit score of Millennials (age 24–39) in 2020



Your 40s

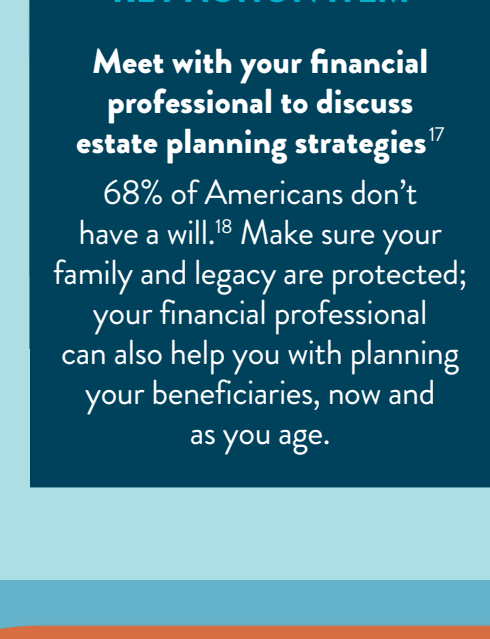
IN THE FLOW

Life in this lane can be challenging, but it helps if you built momentum in your 30s.

\$15,000
World-class saver annual average¹

FINANCIAL WELLNESS MARKERS:

Align your goals
If you have a spouse or life partner, discuss your shared finances and goals with a financial professional



KEY ACTION ITEM

Talk to your financial professional about whole life insurance

48% of households need more life insurance.⁷ In addition to its value as insurance, whole life accrues cash value and can help with major life events like sending the kids to college.^{12,13}

Enjoy debt-free leisure
\$6,500
average cost of a vacation for a family of four⁸

Work toward home ownership
47
median age of a U.S. home buyer⁹

Save for college
\$41,400
average cost of a year at a private university¹⁰



Your 50s

KEEP IT STEADY

Keep swimming! These are often prime earning years.

\$15,200
World-class saver annual average¹

FINANCIAL WELLNESS MARKERS:

Top up your retirement savings
Many financial professionals recommend around

25x
your annual expenses.¹⁴ Use these high earning years to make sure you get there.



KEY ACTION ITEM

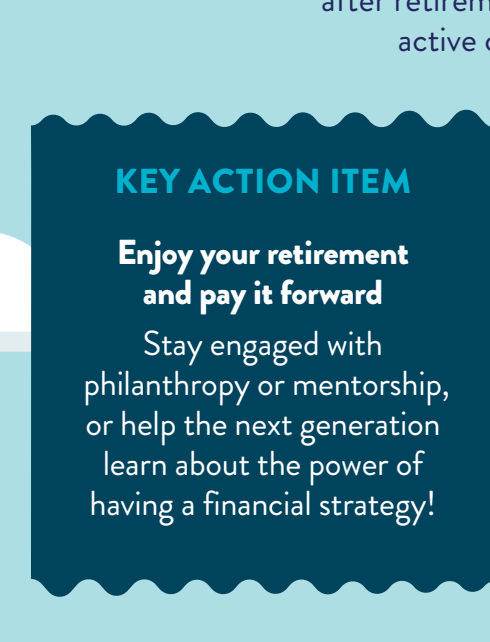
Meet with your financial professional to discuss estate planning strategies¹⁷

68% of Americans don't have a will.¹⁸ Make sure your family and legacy are protected; your financial professional can also help you with planning your beneficiaries, now and as you age.

Plan for the sandwich — caring for children and aging parents at the same time
24%
of parents are helping their adult children pay rent¹⁹ and

17%
of older parents care for an elderly parent at some point in their lifetime.¹⁶ If you're at risk of being sandwiched, prepare early by getting protection in place and learning about assistance options, like certain life insurance products with long-term care features.

Consider delaying social security if you can, so you'll have more income later
132%
if you delay retirement to age 70, you'll receive 132% of the benefit you'd get for retiring at age 67²⁰



KEY ACTION ITEM

Develop a retirement spending strategy with your financial professional

\$219,000; amount needed to feed 2 people for 20 years at a cost of only \$5 per meal.²¹

Consider long-term or supplemental healthcare insurance
\$300,000
average health care expenses in retirement for a couple in 2021²²

Your 70s

HARD WORK PAYS OFF

You did it! Time to enjoy the fruits of your labor!

18 years
Average length of retirement in the U.S.²²

FINANCIAL WELLNESS MARKERS:

Spend wisely
\$46,000
average annual expenditures of older households²³

Stay active and engaged
40%
There is a 40% increased chance of clinical depression after retirement but staying active can help²⁴

KEY ACTION ITEM

Enjoy your retirement and pay it forward

Stay engaged with philanthropy or mentorship, or help the next generation learn about the power of having a financial strategy!

Remember, no matter how strong a swimmer you are, a lifeguard can help keep you protected. A financial professional is like your own personal lifeguard who can help you find protection and keep you on track, no matter where you're swimming. Talk to a financial professional today.

1. 20% of median annual earnings of Americans with 4-year college degrees; earnings data from Education Pays 2019, CollegeBoard.
2. Student loan debt by age, educationdata.org, accessed May 2021.
3. U.S. Social Security Administration Fact Sheets, June 2020.
4. The Most Critical Reason You Need To Negotiate & How To Do It Effectively, Forbes.com, January 8, 2020.
5. This chart shows the impact of the current state of the property market on home buyers of all ages, MarketWatch, December 9, 2019.
6. https://livingconfidently.com/protect-your-priorities/
7. From Concerned to Confident: The Guardian Study of Financial and Emotional Confidence, Guardian, 2016.
8. When You Need to Know About College Tuition Costs, U.S. News and World Reports, September 2020.
9. What Is the Average Cost of a Vacation?, spendmet.com, April 2021.
10. This chart shows the impact of the current state of the property market on home buyers of all ages, MarketWatch, December 9, 2019.
11. LIMRA, Trends in Life Insurance Ownership, 2016.
12. Some whole life policies do not have cash values in the first two years of the policy and don't pay a dividend until the policy's third year. Talk to your financial representative and refer to your individual whole life policy illustration for more information.
13. Policy benefits are reduced by any outstanding loan or loan interest and/or withdrawals. Dividends, if any, are affected by policy loans and loan interest. Withdrawals above the cost basis may result in taxable ordinary income. If the policy is a Modified Endowment Contract (MEC), loans are treated like withdrawals but at gift tax rates, subject to ordinary income taxes. If the policy owner is under 59 1/2, any taxable withdrawal may also be subject to a 10% federal tax penalty.
14. How the 25x Rule Can Help You Save for Retirement, Forbes.com, January 2021.
15. Aging Parents Helping Adult Children Financially: Unhealthy Results, Forbes, July 9, 2018.
16. HOW MUCH LONG-TERM CARE DO ADULT CHILDREN PROVIDE?, Gal Wettstein and Alice Zulkarnain, Center for Retirement Research at Boston College, June 2017.
17. Guardian, its subsidiaries, agents and employees do not provide tax, legal, or accounting advice. Consult your tax, legal, or accounting professional regarding your individual situation.
18. 2021 Wills and Estate Planning Study, Caring.com.
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21. https://livingconfidently.com/blog/will-you-be-eating-well-during-retirement/
22. U.S. Census Bureau.
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