

Fact Sheet: Fidelity Investments®

2017 New Year Financial Resolutions Study

A Few Words about the Study

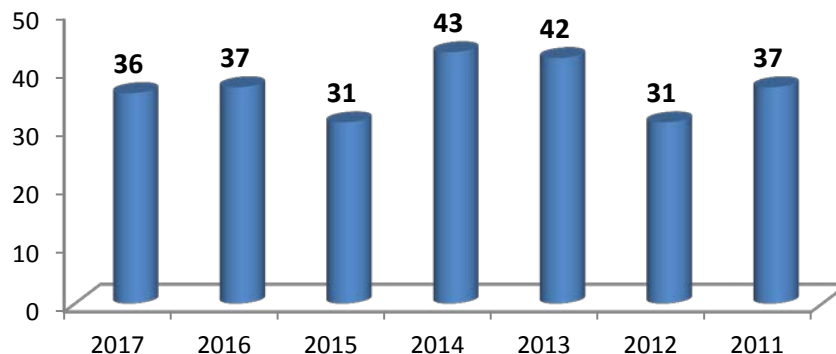
The Fidelity Investments *New Year Financial Resolutions Study* was designed to explore attitudes toward making financial New Year's resolutions. This is the eighth year Fidelity has conducted the study, with results trended over time.

Key Findings:

Americans are ringing in the New Year by making Financial Resolutions

- Similar to last year more than one-third of Americans (36%) are considering a financial resolution for the New Year vs. 37% last year.

Percent of Americans Making Financial Resolutions



- For the eighth consecutive year, the top 3 financial resolutions among those Americans considering one are:
 - Save more (50%, down from 54% in 2016)
 - Pay down/pay off debt (28%, down from 32% in 2016)
 - Spend less (16%, down from 19% in 2016)
- Among Americans who made a financial resolution for 2016 the large majority (82%) consider it an ongoing resolution, while 15% said it was a one-time event. These figures are consistent with results from 2015.

- Among those Americans not considering a financial resolution for the New Year, one half of them said it was because they typically don't make financial resolutions, while two in 10 said they'll never stick to their financial resolutions.

Most Americans who made a financial resolution to save more are saving for Long Term Goals

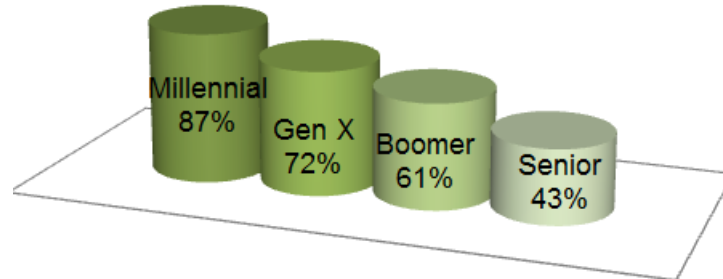
- Consistent with prior years, among those who plan to save more money next year, 62% plan to save toward long term goals, while 32% plan to save for short term goals.
- Among the 62% of Americans who plan to save more money to put toward *long-term goals*:
 - Nearly two-thirds (64%) plan to save more for their retirement in an IRA or 401(k), which is **up significantly from last year (53%)**
 - 40% plan to save more money for retiree health care costs (on par with last year)
 - 26% plan to save for college (on par with last year)
- Among the 32% of Americans saving for *short-term goals*:
 - 72% plan to put their savings into an emergency fund. This number is a significant increase over last year (60 percent) and a 20-percentage point jump from 2014 (52 percent).
 - 47% plan to save so they can pay down their credit cards
 - 38% are saving for a car, while 36% are paying off student loans
- Among those Americans who identified saving more money as one of their top resolutions, the median amount they thought they could save monthly was \$200.

Nearly one-half of Americans are feeling positive about their financial future

- An **all-time high** number of Americans (45%) believe they are in a better financial situation this year as compared to the same time last year. This number is **up significantly from last year (39%)**.
 - The No. 1 reason for this feeling: they or someone in the family is saving more money, mentioned by 62%.
 - Tied for second place: creating a budget for their finances and paying off or reducing debt, mentioned by 57% of Americans.
- Furthermore, seven in 10 Americans think they will be better off financially in 2017.
 - Generationally, younger generations feel better than older generations with 87% of Millennials predicting they will be better off financially in 2017.



Think they will be better off financially in 2017



- 37% of Americans say they are less in debt, which is an all-time high, while 45% say they have the same amount of debt.
- Nearly one-half of Americans (48%) plan to increase their retirement savings by 1% or more in 2017. Interestingly, Millennials (61%) and Gen X (58%) are more likely to plan to increase their retirement savings.
- Similar to last year, most Americans (85%) plan to improve their physical health to lessen potential long-term health care costs.

Many Americans are sticking with their Financial Resolutions and its paying off

- This past year, more Americans stuck with financial resolutions throughout the year than in years past. In fact, 49% reported they managed to achieve 80% or more of their goal, compared to only 43% of Americans the previous year.
 - When asked how many months they managed to stick to their resolution this year, a strong six in 10 said they still are, **up significantly from last year (54%)**.
 - Of those who were successful at keeping their financial resolution, 66% also said they were in a better financial situation than last year, compared to 38% of those who didn't come as close to achieving their resolution. And, 53% said they were less in debt, compared to 37% who didn't make as much progress.
- Among those Americans who successfully stuck to a financial resolution, nearly one-third (32%) said it was because the financial goal they set was clear and specific, while 15% said it helped to keep a record of their progress against their goal.
- Looking at those Americans who were unable to stick with their financial resolution, the large majority (73%) said it was due to unexpected expenses such as an emergency, unemployment or health care costs, **up significantly from 2015 (59%)**.

Making Financial Resolutions May Improve Your Financial Wellness

- For those who say they made a resolution in 2016, approximately one-half feel they are better off financially and less in debt.

People who made financial resolutions at the start of 2016 are...	...in better financial shape...	...than those who didn't make a financial resolution.
More optimistic	52% feel strongly they will be better off financially in 2017	Only 37% strongly agree with this statement
More debt-free	45% say they are less in debt this year compared to last year	Only 34% feel the same way
More financially secure	52% say they are in a better financial situation this year than last	Only 42% feel the same way

To Achieve Financial Resolutions, Track your Progress

- When asked what would help make or stick to a financial resolution, the most popular answer was self-motivation or feeling encouraged by the progress you've made (75%). Top answers include:

Self-motivation or feeling encouraged by progress you've made so far	75%
Being able to see or calculate the bottom-line benefit of sticking to your financial resolution over the year	69%
Breaking into smaller, more attainable short-term goals	63%
Having a reward if you reach your goal by the end of the year	63%
Talking with friends or family who can help you stay focused on your goal	53%
Automatic increase programs (such as to 401(k) contributions direct from your paycheck, etc.)	49%
Having a consequence if you don't stick to your financial resolution	46%
Having a daily or weekly reminder	43%
Meeting with someone on a regular basis to help you track your progress	40%



Top Financial Concerns Going into 2017

- 65% mentioned unexpected expenses which is consistent with last year (62%).
- 62% mentioned the economy, **up significantly from last year (53%)**. Among those worried about the economy, 42% said they were most concerned about global or political instability, while 29% pointed to concern over its overall strength.
- 49% were concerned about not saving enough compared to 46% last year.
- 48% mentioned health care costs. This is similar to last year (47%).

Methodology

- This study presents the findings of a telephone survey conducted among two national probability samples, consisting of 2,015 adults, 18 years of age and older. Interviewing for this CARAVAN® Survey was completed on October 13-16 and 20-23, 2016 by ORC International, which is not affiliated with Fidelity Investments. The results of this survey may not be representative of all adults meeting the same criteria as those surveyed for this study.

Key Demographics of Sample

Male	48%
Female	52%
Average Age	47
Average HH Income	\$59,400
Employed	60%
Not Employed	11%
Fully or Partially Retired	20%
Homemaker	4%
Student	4%
Refused	<0.5%

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