



WrapManager

Retirement savings checkpoints

| | \$30,000 | \$50,000 | \$75,000 | \$100,000 | \$150,000 | \$200,000 | \$250,000 | \$300,000 |
|--------------------|--|----------|----------|-----------|-----------|-----------|-----------|-----------|
| Current Age | Checkpoint (x current household income) | | | | | | | |
| 30 | - | 0.4 | 1.1 | 1.3 | 1.8 | 2.1 | 2.3 | 2.4 |
| 35 | 0.3 | 0.8 | 1.6 | 1.9 | 2.4 | 2.8 | 3.1 | 3.2 |
| 40 | 0.6 | 1.2 | 2.2 | 2.6 | 3.2 | 3.7 | 4.1 | 4.2 |
| 45 | 1.0 | 1.8 | 3.0 | 3.4 | 4.2 | 4.8 | 5.3 | 5.5 |
| 50 | 1.5 | 2.5 | 3.9 | 4.5 | 5.4 | 6.2 | 6.7 | 7.0 |
| 55 | 2.1 | 3.3 | 5.1 | 5.7 | 6.9 | 7.9 | 8.5 | 8.8 |
| 60 | 2.9 | 4.3 | 6.5 | 7.3 | 8.8 | 9.9 | 10.7 | 11.1 |
| 65 | 3.9 | 5.6 | 8.4 | 9.4 | 11.3 | 12.7 | 13.7 | 14.2 |

MODEL ASSUMPTIONS

Pre-retirement investment return: 6.5%

Post-retirement investment return: 5.0%

Retirement age: 65

Years in retirement: 30

Inflation rate: 2.25%

Confidence level represented: 80%

Assumed annual contribution rate: 5%

How to use:

- Go to the intersection of your current age and your closest household income.
- Multiply your household income by the checkpoint shown to get the total amount your household should have invested today, assuming you continue to save 5% going forward.
- Example: For a 40-year-old with a household income of \$100,000: $\$100,000 \times 2.6 = \$260,000$.

This chart is for illustrative purposes only and must not be relied upon to make investment decisions. J.P. Morgan's model is based on J.P. Morgan Asset Management's (JPMAM) proprietary long-term capital market assumptions (10-15 years). Household income replacement rates are derived from an inflation-adjusted analysis of: Consumer Expenditure Survey (BLS) data (2011-2014); Social Security benefits using modified scaled earnings in 2016 for a single wage earner at age 65 and a spousal benefit at age 62 reduced by Medicare Part B premiums; and 2016 OASDI and FICA taxes. Households earning \$30,000 will need to replace at least 16% of their pre-retirement income; \$50,000 23%; \$75,000 34%; \$100,000 38%; \$150,000 45%; \$200,000 51%; \$250,000 55%; \$300,000 57%. The income replacement needs may be lower for households in which both spouses are working and the second spouse's individual benefits are greater than their spousal benefit. Single household income replacement needs may vary as spending is typically less than a two-spouse household; however, the loss of the Social Security spousal benefit may offset the spending reduction. Consult with a Financial Advisor for a more personalized assessment. Allocations, assumptions and expected returns are not meant to represent JPMAM performance. Given the complex risk/reward tradeoffs 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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