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Americans, a Northwestern Mutual study shows.

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By Kathryn Pomroy, Kiplinger Consumer News Service (TNS)

The idea of a comfortable retirement just got a lot more expensive, and for some, it may be entirely out of reach. Most retired Americans believe they will need nearly \$1.5 million in the bank to retire comfortably, according to a [new study](#).

The majority of retirees surveyed believe that they will need \$1.46 million in the bank

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Trends based on age and income

Do boomers and Gen Xers have enough saved for retirement?

- Only about half of boomers (49%) and Gen Xers (48%) believe they will be financially prepared for retirement.
- On average, Gen Xers believe there is a 42% chance they could outlive their savings, while boomers put the probability at 37%.
- By generation, both Gen Z and millennials expect to need more than \$1.6 million to retire comfortably.
- High-net-worth individuals—those with more than \$1 million in investable assets—say they'll need nearly \$4 million.

Is Gen Z saving for retirement earlier than other generations?

On average, American adults say they started saving for retirement at age 31. But Gen Zers say they began at age 22—nearly a decade earlier, hoping that starting earlier will help them reach their retirement goals sooner. That is also a full 15 years before boomers, who say they started when they were 37. Millennials and Gen Xers began saving for retirement at ages 27 and 31, respectively.

“In 2023, the soaring cost of eggs in the grocery store symbolized inflation in America. In 2024, it's nest eggs,” said Aditi Javeri Gokhale, Northwestern Mutual's chief strategy officer, president of retail investments, and head of institutional investments. “People's ‘magic number’ to retire comfortably has exploded to an all-time high, and the gap between their goals and progress has never been wider.”

What generations are most prepared for

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- Not quite 40% of boomers and only 42% of Gen Xers have a plan if they can no longer depend on Social Security for income.
- Only 30% of Americans have a plan to minimize the taxes they pay on their retirement savings.

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