

# Women less confident than men when it comes to retirement outlook

Pundits have coined the term “she-conomy” to describe the economic gains U.S. women have made in recent years, but they still lag in saving for retirement, according to the sixth annual Retirement Survey from Wells Fargo & Company.

The survey queried middle class women from those in their mid-20s to those who are already retired and in their 60s.

Regardless of marital status, women expressed less confidence in their outlook for retirement and had saved less than men. A majority of women are unsure or unrealistic about what their annual withdrawals should be in retirement and are wary of the stock market as a place for investment gains. The survey found:

- Just 54 percent of women said they are “confident” they will have enough saved to “live the life they want” in retirement, compared to 62 percent of men. Women indicate they are less likely to have a pension (40 percent vs. 48 percent of men) or a 401(k) available to them through their employer among those employed (71 percent vs. 76 percent of men). Women are also less likely to believe Social Security will be available to them (38 percent vs. 42 percent of men) when they retire.
- Although men and women are underfunded for retirement, women have saved less than men – a median of \$20,000, compared to \$25,000 for men. Women also set their sights lower than men: Whether married or single, when asked how much they thought they would need to support them during retirement, women said they are aiming for a median of \$200,000, whereas men predict they will need retirement savings of \$400,000.

- Almost 30 percent of women between the ages of 40 and 69 are “not sure or can’t estimate” how much they will need to withdraw from their retirement savings annually while in retirement, and about 32 percent of women in their 40s and 50s estimate they will withdraw 11 percent to 30 percent or greater each year.
- Across all age groups, women are much less likely to characterize themselves as the “primary” financial decision maker than are men (35 percent vs. 55 percent of men). Among married women, 83 percent say they are the joint financial decision maker, whereas 58 percent of married men say they are a joint decision maker.
- Just 27 percent of women have confidence in the stock market as a place for investment gains for their savings, compared to 40 percent of men. If given \$5,000 with the instruction that it be “put away for your retirement,” 40 percent of all women say they would purchase bank CDs instead of putting the money in the market, compared to 30 percent of men.