

Parents and Grandparents Retirement Survey



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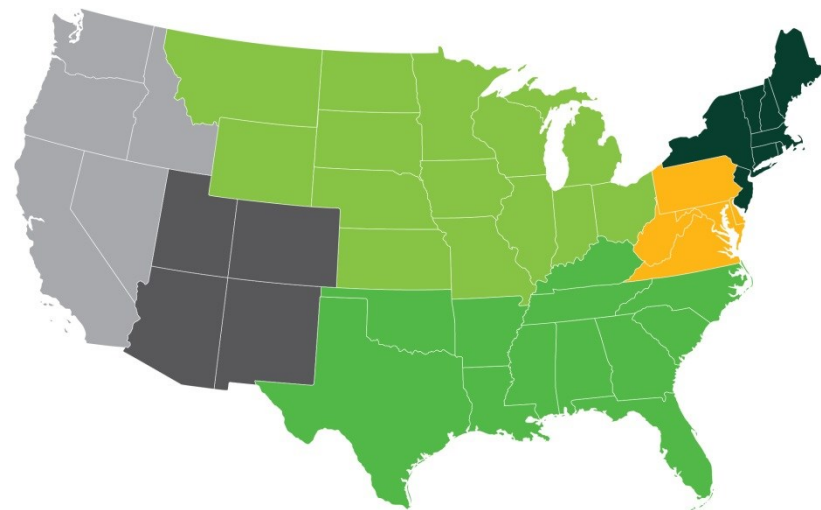
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Research Method

<p>WHO</p> <p>2,018 American adults (half millennial parents, half grandparents with millennial children)</p>	<p>WHAT</p> <p>Online Survey</p>	<p>WHEN</p> <p>October 20-26, 2016</p>
<p>Average time to complete survey: 18 minutes</p>	<p>49% Male 51% Female</p>	<p>CONDUCTED BY</p> <p>Head Solutions Group on behalf of TD Ameritrade Holding Corporation¹</p>



West	Southwest	South
20%	11%	26%
Mid-Atlantic	New England	Midwest
16%	5%	22%

Throughout this report, ▲▼ arrows indicate a significant difference between millennial parents and grandparents.

Callouts show significant differences between subgroups noted (i.e. Males and Females, or between Ethnicities) within Millennial Parents (shown in green callouts) or within Grandparents (in yellow), or between a subgroup and the total sample of Millennial Parents or Grandparents.

This survey was conducted by Head Solutions Group on behalf of TD Ameritrade Holding Corporation.¹

The statistical margin of error for the total sample of N=2,018 American adults within the target group is +/- 2.1%.² This means that in 19 out of 20 cases, survey results will differ by no more than 2.1 percentage points in either direction from what would have been obtained by the opinions of all target group members in the U.S. Sample was drawn from major regions in proportion to the U.S. Census.

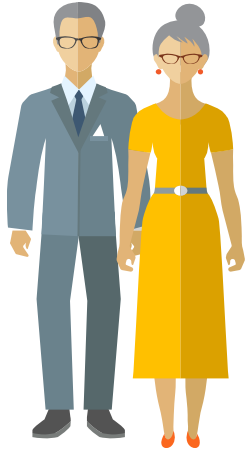
¹ Head Solutions Group (U.S.) Inc. and TD Ameritrade Holding Corporation are separate, unaffiliated companies and are not responsible for each other's products and services.

² Assumes survey participants are the same as non participants.

Note: Percentages may not add up to 100 due to rounding.

Key Findings

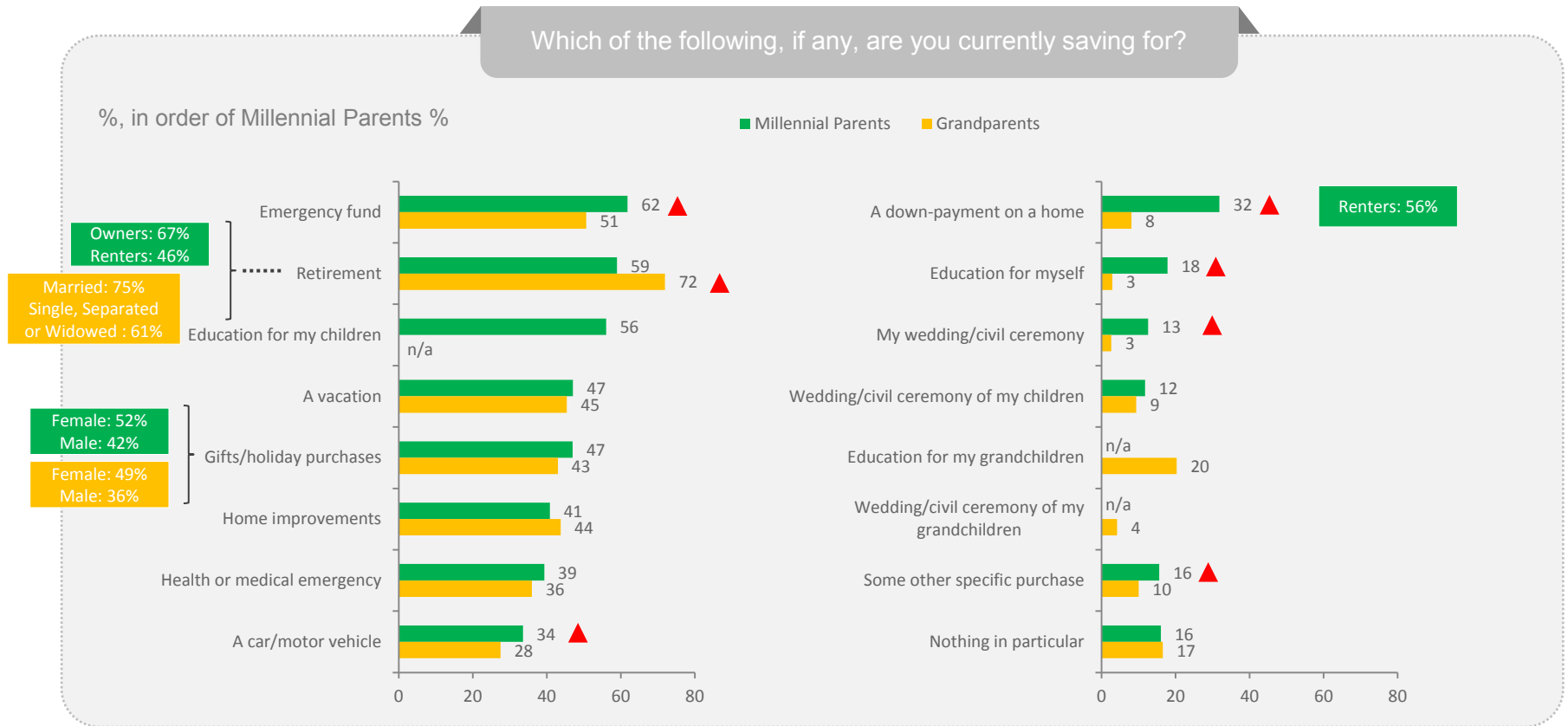
Parents of both generations are saving for retirement (59 percent of millennial parents and 72 percent of grandparents), and would be willing to live a simpler lifestyle in order to help their retirement savings last longer.



- A third of millennial parents (33%) and grandparents (33%) saving for retirement are confident they will reach their retirement goals. Confidence increases with household income, especially among grandparents – 4 in 10 (46%) of those with a \$100k+ household income are confident they will reach their retirement goals
- A significant number of millennial parents and grandparents have reached into their retirement savings to pay for emergencies and household bills. Four in 10 (40%) millennial parents, and nearly half (48%) of grandparents have withdrawn money from their retirement savings
 - The top 2 reasons for doing so are Emergencies (millennial parents: 20%, grandparents: 24%) and Household bills (millennial parents: 16%; grandparents: 17%)
- Millennial parents and grandparents are willing to make similar sacrifices to make their retirement savings last longer
 - Half of millennial parents (49%) and grandparents (54%) have or would be willing to live a simpler lifestyle, followed by spending less money (millennial parents: 48%, grandparents: 46%) and eating out less/cutting back on entertainment (46%, 49%)
 - More grandparents (45%) than millennial parents (39%) would be willing to buy a used car/keep a car for longer in order to make their retirement savings last longer
- For grandparents, retirement is not all about the money - they equate joy in retirement with time spent with loved ones
 - Three in 10 (30%) say spending time with grandchildren will bring them joy in retirement and the same number indicate time with their spouse/partner will do the same. Two in 10 (21%) will find joy in travel

Most millennial parents (59%) are saving for retirement

- Seven in 10 (72%) grandparents are saving for retirement, including 75% of those who are married but only 61% of those who are single, separated or widowed. Twenty-seven percent of grandparents surveyed are currently retired.



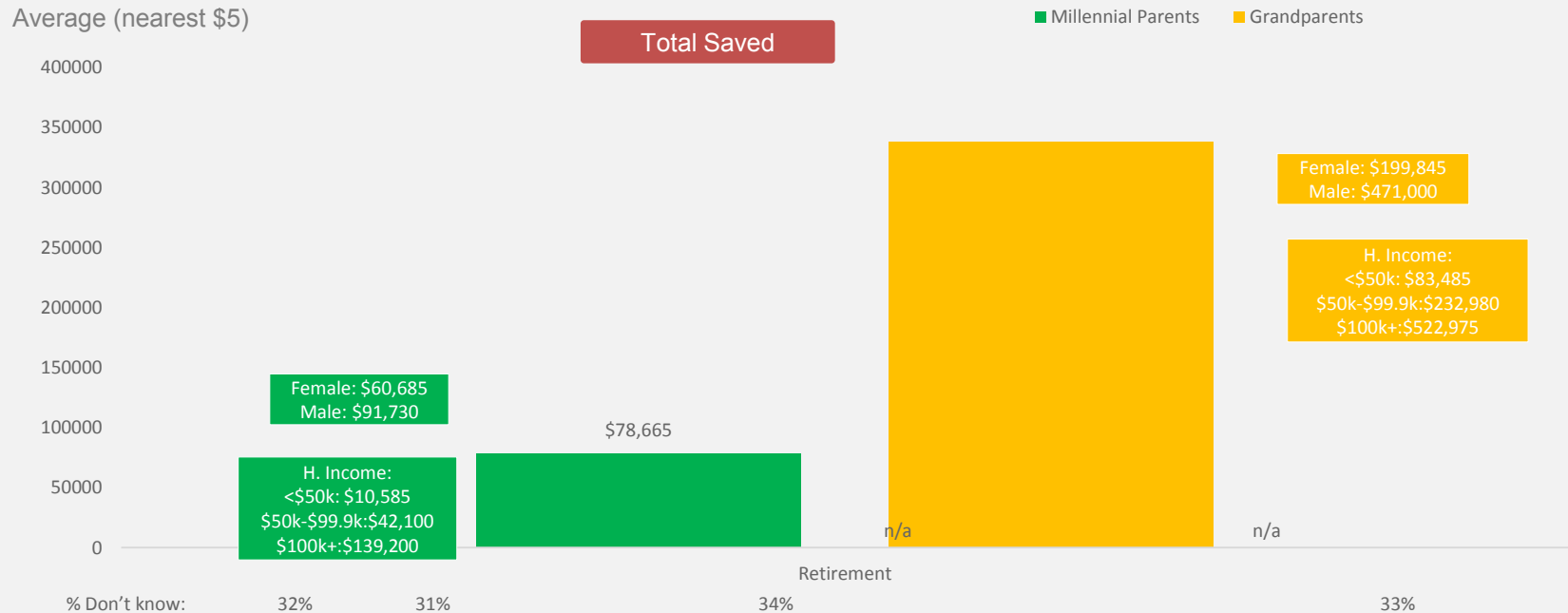
Q200a. Base: All Millennial Parents n=1,004; All Grandparents n=1,014

Arrows indicate a significant difference between Millennial Parents and Grandparents at 95% confidence. Multiple responses allowed

Millennial parents who are saving for retirement have \$79,000 saved, on average, whereas grandparents have \$338,000 saved, on average

- Male millennial parents have more saved for retirement than female millennial parents (\$92,000 vs. \$61,000). The same pattern holds true for grandparents (\$471,000 vs \$200,000)
- Millennial parents with higher household incomes have been able to save more for retirement and for their children’s education than millennial parents with a lower household income (\$ values shown in chart below)

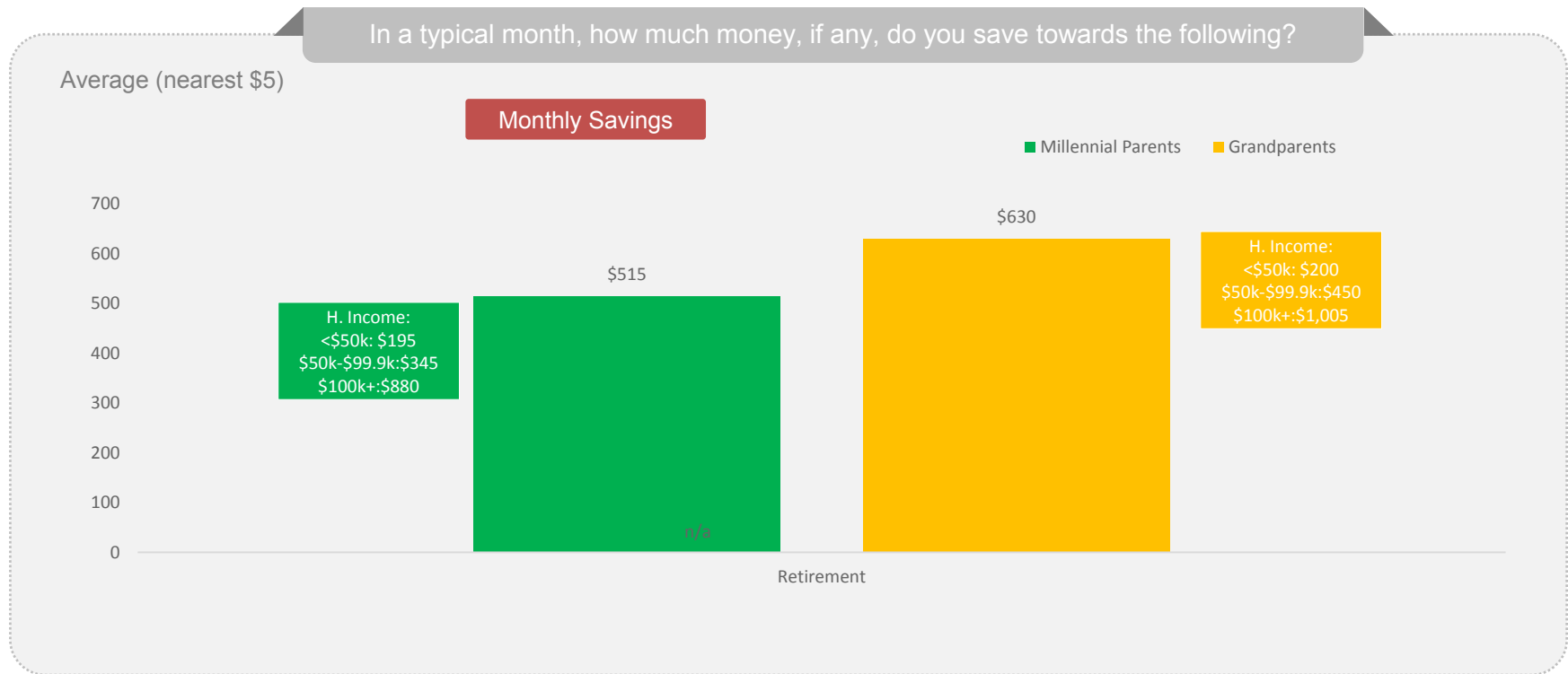
In a typical month, how much money, if any, do you save towards the following?
As of today, how much money do you have in savings for each of the following?



Q207-9. Base: All saving for retirement: Millennial Parents n=591; All Grandparents n=534; All saving for education for children: Millennial Parents, n=563, All saving for education for grandchildren: Grandparents n=206

Household income is strongly related to typical monthly savings

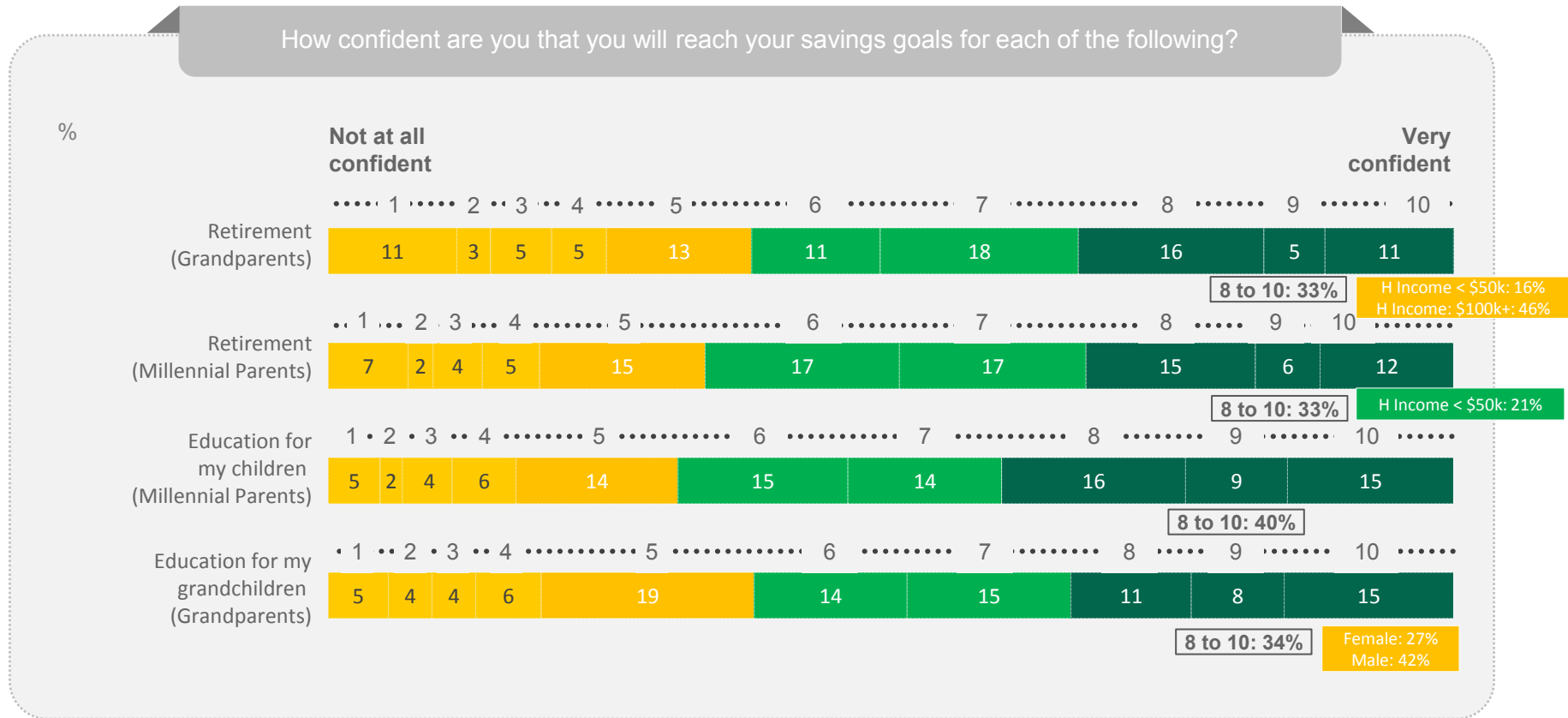
- As one would expect, the amount saved in a typical month increases as household income increases for each category below. A millennial parent with a household income of \$100,000 or more can save for retirement each month 4.5 times the amount that a parent with a household income of below \$50,000 is able to (\$880 vs \$195). Grandparents in the highest income category (\$100,000+) can save 4.9 times the amount the lower income Grandparents can (\$1,005 vs. \$200).



Q205. Base: All saving for retirement: Millennial Parents n=591; All Grandparents n=534; All saving for education for children: Millennial Parents, n=563, All saving for education for grandchildren: Grandparents n=206, All saving for anything else: Millennial Parents n=1,004; All Grandparents n=1,014

A third of millennial parents (33%) and grandparents (33%) saving for retirement are confident that they will reach their retirement savings goal

- Households with lower incomes are less confident in reaching their retirement savings goals. Only 1 in 6 (16%) Grandparents with a household income of \$50,000 or less is very confident they will reach their savings goal, and only 1 in 5 (21%) Millennial Parents in the same income category feel similarly

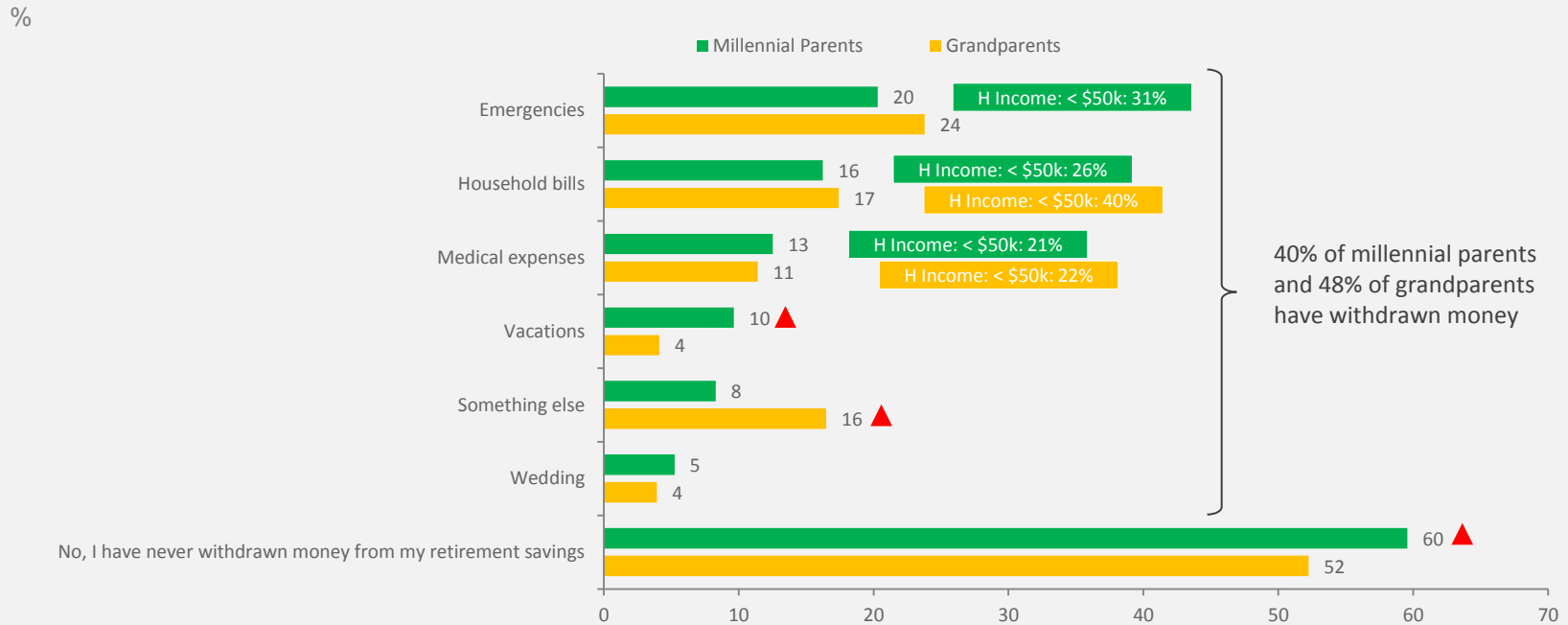


Q206. Base: All saving for retirement: Millennial Parents n=591; All Grandparents n=534; All saving for education for children: Millennial Parents, n=563, All saving for education for grandchildren: Grandparents n=206

Arrows indicate a significant difference between Millennial Parents and Grandparents at 95% confidence

Four in 10 millennial parents (40%) and half (48%) of grandparents have had to withdraw money from their retirement savings to cover expenditures such as emergencies or household bills

Have you ever withdrawn money from your retirement savings in order to pay for any of the following?



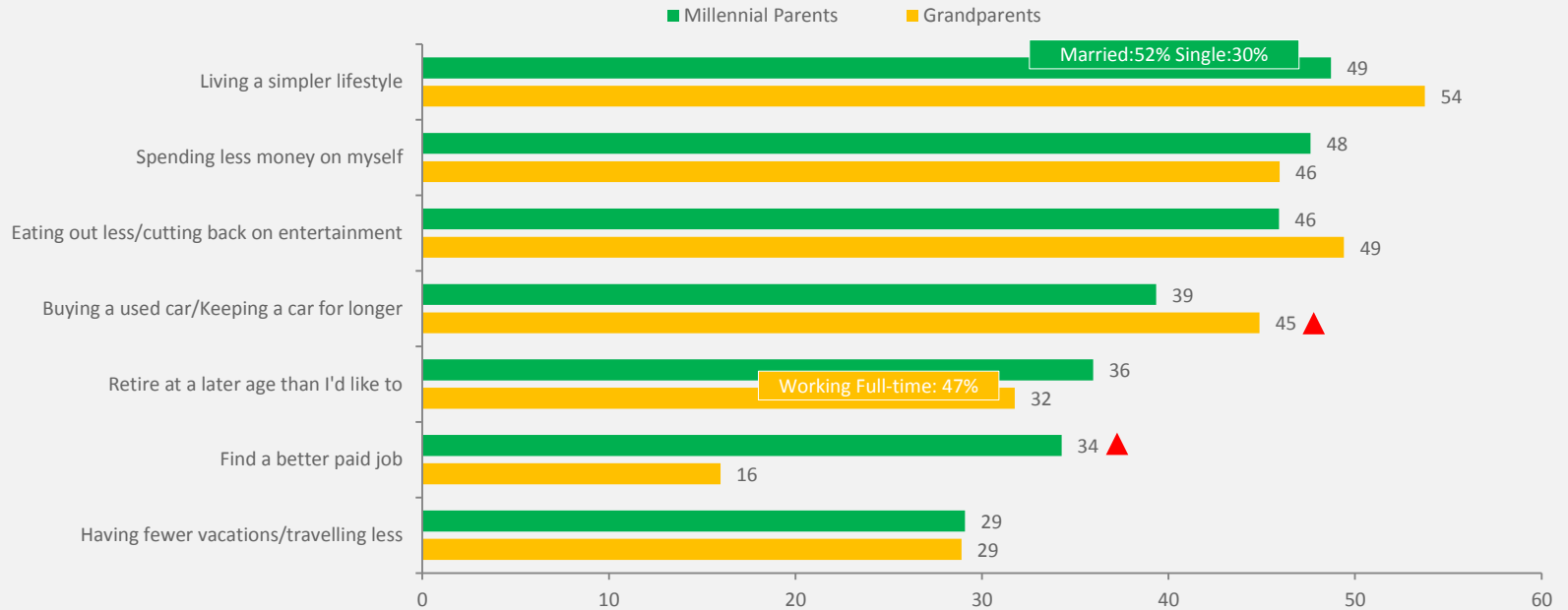
Q885. Base: All who save for retirement: Millennial Parents n=591; Grandparents n=534. Multiple responses allowed
 Arrows indicate a significant difference between Millennial Parents and Grandparents at 95% confidence

Half of millennial parents (49%) and grandparents (54%) would be willing to live a simple lifestyle in order to help their retirement savings last longer

- More grandparents (45%) than millennial parents (39%) would be willing to buy a used car/keep a car for longer

Which of the following have you/would you be willing to do to help your retirement savings for further and/or last longer?

% Top 7 actions performed/considered



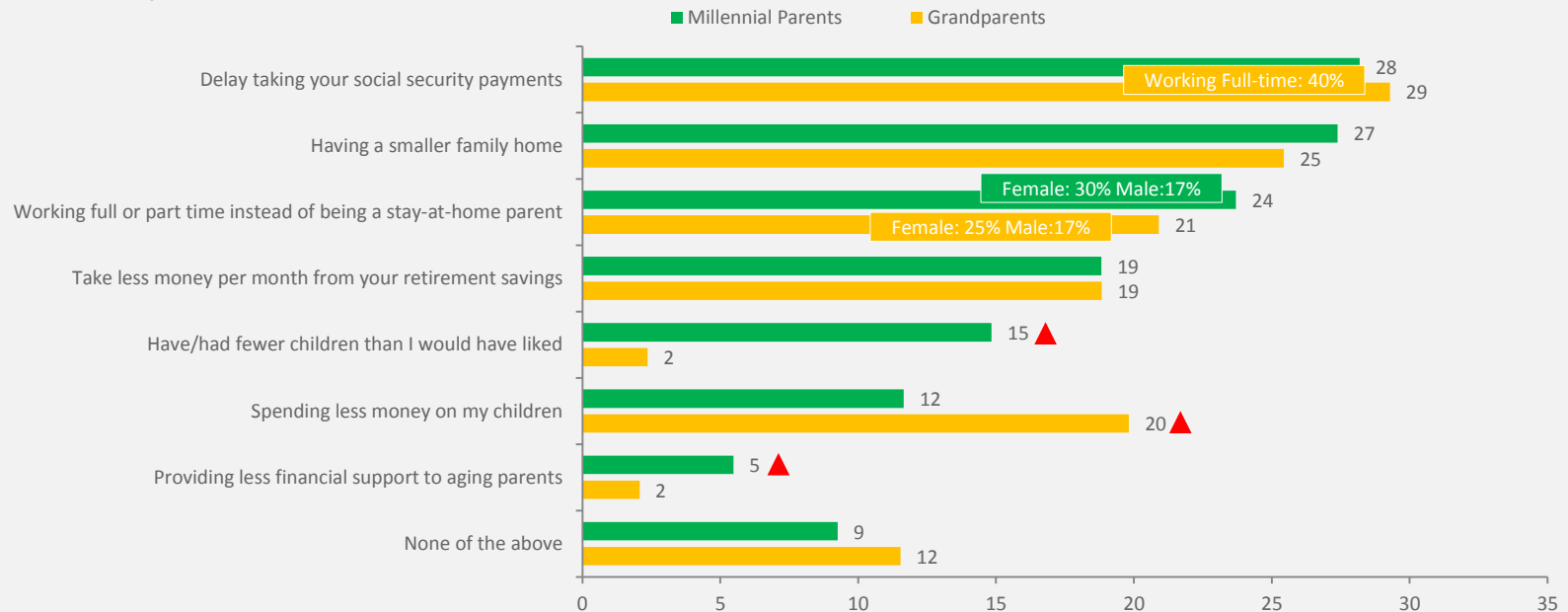
Q890. Base: All Millennial Parents n=1,004; All Grandparents n=1,014. Multiple responses allowed
 Arrows indicate a significant difference between Millennial Parents and Grandparents at 95% confidence

One in five grandparents (20%) have spent, or would be willing to spend, less on their children in order to make their own retirement savings last longer

- One in 7 (15%) millennial parents say they would have fewer children than they would like in order to make retirement savings last longer

Which of the following have you/would you be willing to do to help your retirement savings for further and/or last longer?

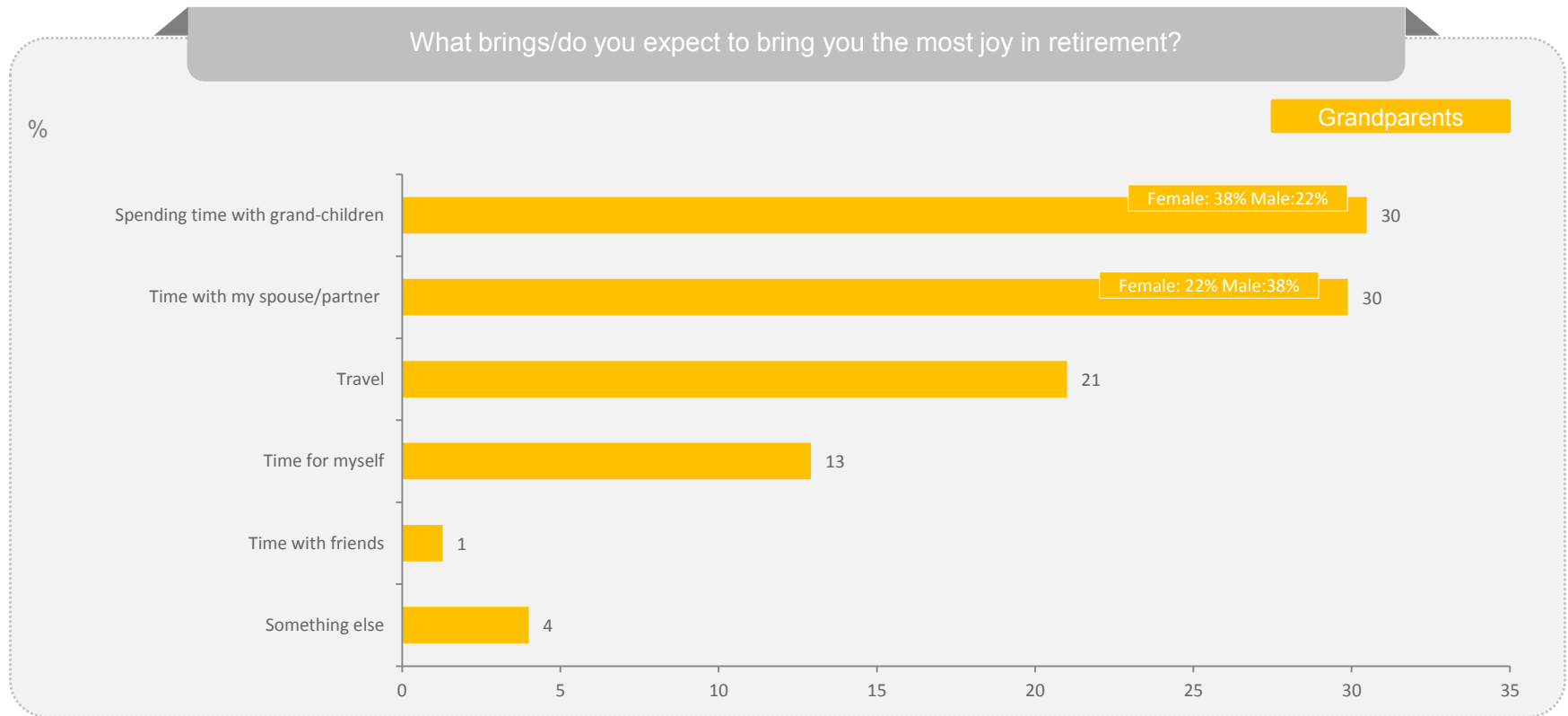
% Bottom 8 actions performed/considered



Q890. Base: All Millennial Parents n=1,004; All Grandparents n=1,014. Multiple responses allowed
 Arrows indicate a significant difference between Millennial Parents and Grandparents at 95% confidence

Grandparents say that spending time with grandchildren or with their partner will bring the most joy in retirement

- There is a clear split between the genders: Males say that spending time with their partner will bring most enjoyment whereas Females say that spending time with grandchildren will bring most joy



Appendix

Survey sample characteristics



Base: All Millennial Parents, n=1,004; Grandparents n=1,014