

## Millennials' Retirement Account Asset Allocation

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In 2016, Millennials outnumbered Baby Boomers by approximately 0.5 million (Fry, 2016), which made them the nation's largest generation. However, unlike their parents and grandparents, Millennials are expected to shoulder more responsibilities to prepare for their retirement financially. It is critical for Millennials to begin saving and investing for their retirement early in their careers to take advantage of their long investment horizon.

By using the 2016 Survey of Consumer Finances (SCF) dataset, this study analyzes Millennials' ownership of and asset allocation in accounts that are earmarked for retirement purposes such as their Individual Retirement Accounts (IRAs) and defined contribution (DC) plans. Results show that half of the Millennial workers invest their retirement assets in stocks, bonds, and other assets. Implications for Millennial workers and financial advisors are provided.

### References

Fry, R. (2016). Millennials overtake Baby Boomers as America's largest generation. Retrieved from <http://www.pewresearch.org/fact-tank/2016/04/25/millennials-overtake-baby-boomers/>

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