

Your Retirement

Money Concerns Dominate For Retirees

(NAPSA)—While retirees may have a lot of free time on their hands, it seems that's about the only thing that's free. Money and the cost of living, it turns out, are major concerns for many recent retirees—women in particular.

According to a new survey:

- Running out of money is a major concern for almost half of recently retired women and one-third of recently retired men.

- The cost of health care and prescription drugs worries about two-thirds of the women and more than half of the men.

- Most of the women vs. about half the men are very concerned about the long-term financial soundness of Medicare and Social Security.

- The cost of long-term care is a major concern for 55 percent of the women and 40 percent of the men.

- Seventy percent of both men and women wish they'd saved more and 59 percent wish they'd started saving earlier. Their biggest surprise? That they have insufficient income and high expenses.

The survey of 2,000 people (51 percent female, 49 percent male) who retired within the past two to six years was sponsored by Putnam Investments.

“We wanted to know what the life change from full-time career to retirement was like emotionally and financially, so we asked the group with the freshest experience. A record number of Americans, approximately 75 million, will make this transition over the next two decades,” explained



Richard A. Monaghan, head of Putnam Retail Management. “We need to learn all we can to help them retire successfully.”

Recent retirees in the study have an average household income of \$49,000. But women reported lower household income: \$42,000 on average, compared to \$56,000 on average for men. Social Security is by far the most important financial resource of this group, representing 41 percent of income.

According to Monaghan, “The message to those who are still working is ‘save early, save more, and get a financial advisor’ who will help with your investment plan.”

Financial advisors can help create an investment strategy tailored to meet a retiree's specific needs. They can also help to identify financial products that are designed to provide diversification while offering an acceptable level of risk over the long term.

When they spread assets over several different industrial sectors, mutual funds, such as the Putnam Asset Allocation funds, are designed to weather short-term changes in market direction, while posting long-term gains.