

# Retirement Concerns on Investors' Minds <sup>TM</sup>

(NAPSA)—According to the sixth annual investor survey commissioned by Boston-based investment manager Eaton Vance, almost all investors (90 percent) have given either a “great deal” (55 percent) or “some” (35 percent) thought to retirement. Investors with investments greater than \$250,000 are more likely to have given a greater deal of thought to retirement than investors with investments of less than \$250,000 (61 percent vs. 49 percent). Three in four investors—77 percent of investors with investments of less than \$250,000 and 71 percent with investments greater than \$250,000—cite retirement as the primary funding objective of their investments.

The nationwide survey, conducted by Penn, Schoen and Berland Associates, was a comprehensive study among 1,000 U.S. residents who have invested in both qualified retirement plans and investments outside of qualified retirement plans (stock mutual funds, bond mutual funds, individual stocks, individual bonds, variable annuities and money market funds).

Investors are also taking full advantage of retirement vehicles available to them. Nine in ten investors (90 percent)—87 percent of investors with investments of less than \$250,000 and 93 percent with investments greater than \$250,000—participate in a 401(k) plan or IRA investment plan. Three in four (75 percent)—69 percent of investors with invest-

ments of less than \$250,000 and 81 percent with investments greater than \$250,000—are contributing the maximum amount.

More than 4 in 5 investors (84 percent) are optimistic that they will live comfortably in retirement. This is especially true of investors with investments greater than \$250,000 (90 percent), but 77 percent of investors with investments of less than \$250,000 also believe they will live well. Investors who voted for President Bush (86 percent) are more likely to believe that they will live comfortably in retirement than investors who voted for Senator Kerry (74 percent).

Over half of investors (55 percent) believe they will need \$1 million dollars or more to retire, and the average investor says he will need about \$1.9 million to retire (\$1.4 million is the average estimate for investors with investments of less than \$250,000 and \$2.4 for investors with investments of more than \$250,000).

More than one-third of investors (35 percent) say they would like to retire by age 60, half of investors hope to retire between the ages of 60 and 65, and only 16 percent of investors want to retire after age 65. The age the average investor wants to retire is 61. These opinions did not vary much by the amount of assets they had invested.

The overall lack of faith in Social Security helps explain why many investors say they will have to work until they are 61 or even 65 to retire. More than half of

investors (53 percent) say they will have to work until at least 61 to achieve their asset goal for retirement. Nearly 1 in 4 investors (22 percent) believe they will have to work past 65 to achieve their asset goal.

“Apparently there is a contradiction between investors’ optimism about retirement lifestyle and expectations about the age they can retire and the amount they need to have saved,” said Duncan Richardson, Senior Vice President and Chief Equity Investment Officer for Eaton Vance. “To live comfortably, investors will need to either save more or work longer, and if they haven’t started planning early, maybe both.”

Eaton Vance Corp. is a Boston-based investment management firm whose stock trades on the New York Stock Exchange under the symbol EV. Eaton Vance and its affiliates manage over \$94 billion in assets as of October 31, 2004, for more than 100 investment companies, as well as individual and institutional accounts, including those of corporations, hospitals, retirement plans, universities, foundations and trusts.

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