



## NEWS RELEASE

### T. ROWE PRICE: AVERAGE 401(k) SAVINGS RATE REMAINS STEADY AMID THE GLOBAL PANDEMIC

BALTIMORE, December 3, 2020 – T. Rowe Price today released [findings](#) from its 6<sup>th</sup> annual Retirement Savings and Spending survey focused on the financial attitudes and behaviors of 401(k) savers. The survey, which was conducted amid the pandemic in June 2020, found that despite the many financial challenges brought on by the crisis, the average 401(k) savings rate has remained steady since 2019 at 8%. The survey also saw sizeable year-over-year increases in several of the major financial objectives identified by 401(k) savers, including saving for emergencies (50%, up from 38% in 2019), managing and budgeting for daily expenses (50%, up from 41%), and contributing to a health savings account (47%, up from 34%).

While this behavior is positive, the financial challenges brought on by the coronavirus pandemic are also evident: Nearly 50% of survey respondents reported increased household financial stress and 60% said the pandemic has affected jobs or incomes in their household. Additionally, 32% of respondents have cut spending in response to recent market uncertainty and 45% (up from 33% in 2019) have considered delaying their retirement.

“We are all learning how to navigate our finances during this unprecedented time,” said Judith Ward, senior financial planner at T. Rowe Price. “While it may be a challenging time to save for retirement, it’s encouraging to see that many individuals are continuing to save for their future while shoring up financial reserves. Getting confident about your short-term financial goals can allow you to refocus on retirement planning once the uncertainty of your situation subsides.”

#### ABOUT THE SURVEY

The Retirement Savings and Spending survey was conducted by NMG Consulting on behalf of T. Rowe Price and included a sample of 3,420 retirement plan participants, 631 individuals with access to workplace savings plans, and 190 furloughed participants. This is the sixth edition of the study, following the [2014](#), [2015](#), [2017](#), 2018, and 2019 installments. The three phases of the 2018 study focused on [financial advice](#), [retirees](#), and [gender](#) and the two phases of the 2019 study focused on [retirement confidence](#) and [retirement income](#). Data from prior studies is used in this report for comparison purposes.

#### ABOUT T. ROWE PRICE

Founded in 1937, T. Rowe Price (NASDAQ-GS: TROW) is an independent global asset management company with \$1.30 trillion in assets under management as of October 31, 2020. The firm is focused on delivering investment excellence and retirement services for institutional, intermediary, and individual investors. Our strategic investing approach, driven by independent thinking and guided by rigorous research, helps clients feel confident in pursuing financial goals. For more information, visit [troweprice.com](https://www.troweprice.com), [Twitter](#), [YouTube](#), [LinkedIn](#), [Instagram](#), or [Facebook](#).



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