How Much You Should Have Saved For Retirement By Age 50

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When it comes to saving for retirement, we've all heard the mantra "the key is to start early." While this is certainly true, it's often unclear just *how much* money individuals should aim to have stashed away for their golden years.

Below, Emmie Martin, Contributor for *Money*, helps to answer that question, and offers advice on how to get there.

While putting away as much as you can is always better than nothing, hitting pre-determined milestones can help you figure out if you're on track to live comfortably in retirement.

Accruing six times your annual income by 50 represents an ideal scenario, especially if you choose

to divert savings to other goals, such as buying a home or having kids. But, as a general rule, if you're aiming to save around 15 percent of your income - or as close as you can get - and invest it, you're going to be in the right ballpark.

In order to get there, it's important to save as much as you can as early as you can. Fidelity recommends putting away 15 percent of your income per year starting at age 25 and investing more than 50 percent of your savings over your lifetime.

Three big factors determine if you're on track for retirement: amount, account and asset allocation. In addition to saving 15 percent of your income, you should be investing it back into the market. The easiest way to get started is to sign up for your employer's 401(k) plan and take full advantage of any company match, which essentially gives you free money.

Regardless of whether your employer offers a 401(k), you can contribute to a Roth IRA or traditional IRA, which are both individual retirement accounts that offer tax breaks.

In addition to saving and investing, you also want to create a diversified portfolio. As the market swells and declines over the years, a mix of various types of investments will keep you from being at the mercy of how one specific stock, or kind of stock, is performing.

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Police Federal Credit Union of Omaha
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3003 South 82nd Avenue
Omaha, NE 68124

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