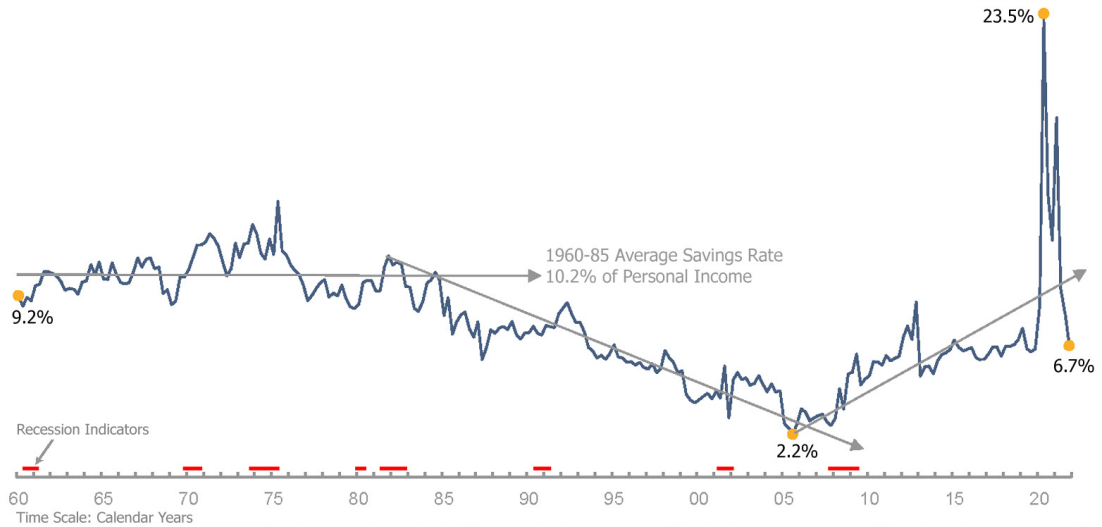


# Personal Savings Since 1960

Falling Personal Savings Fueled Credit Crisis

For Your Information...



|                          | 1960-Q1 (start) | 2005-Q2 (low)    | 2020-Q2 (high)    | 2021-Q4 (current) |
|--------------------------|-----------------|------------------|-------------------|-------------------|
| Personal Income          | \$ 416.70       | \$ 10,686.10     | \$ 20,348.70      | \$ 20,947.70      |
| (Less: Taxes)            | (45.30) 10.9%   | (1,225.50) 11.5% | (2,099.00) 10.3%  | (2,744.90) 13.1%  |
| (Less: Personal Outlays) | (333.10) 79.9%  | (9,229.10) 86.4% | (13,477.70) 66.2% | (16,808.40) 80.2% |
| Equals: Personal Savings | \$ 38.30 9.2%   | \$ 231.50 2.2%   | \$ 4,772.00 23.5% | \$ 1,394.40 6.7%  |

US\$ billions. Source: Department of Commerce, Bureau of Economic Analysis, NIPA series. Quarterly data seasonally adjusted at annual rates.



**Bellwether Consulting LLC**  
PO Box 31  
Millburn, NJ 07041-0031

Since the mid-1980's Americans have been saving a smaller percentage of their income. This time period coincides with low interest rates and high capital gains for stocks and real estate. (Capital gains are not included in personal income for the National Income and Product Account data series).

Consumers are relying more on *personal debt* and *capital gains* to fund their retirement and support record spending levels. Is this sustainable? Not likely – but clearly a well-designed 401(k) or other defined contribution plan provides employees the best means of *saving more* and *investing wisely* for their future.

Competitive investments, comprehensive education – it's a great way to help your employees help themselves!

Bellwether Consulting is an independent investment advisor serving the needs of retirement plan sponsors and other institutional investors.

For more information, please have a look at our website at [www.bellwetherconsulting.net](http://www.bellwetherconsulting.net), or call us at (646) 205-9346.