

Your savings will be key to your retirement. Start now to harness the power of time.

Point: If I don't save for retirement myself, I can always live off Social Security.

Counterpoint: Social Security benefits may be less than you anticipate.

Keep in mind that Social Security was designed to be a supplemental source of income. In fact, it replaces only about 42% of an average worker's income after retiring.[†] **Providing the rest is up to you.**

To estimate how much you'll have in retirement income including Social Security payments, use our Retirement Planning Calculator at americanfundsretirement.com. You can also see how changes in your savings plan might affect your income.

[†] Source: Social Security Administration, Actuarial Note, June 2022.



Capital Group, home of American Funds, is a key provider for your retirement plan

- Since 1931, we have invested with a long-term focus and attention to risk.
- More than half of our 67 million investor accounts are retirement accounts.*

For more information, visit us at americanfundsretirement.com.

Want to learn more?

Visit ICanRetire.com to learn the ropes on retirement savings and get a personalized action plan tailored to your retirement style.

* As of December 31, 2022.

All hypothetical examples assume an 8% average annual return compounded monthly and a 4% annual withdrawal rate after the accumulation period. These are point-in-time views and as such do not take into account any growth or loss during retirement. Without investment growth/loss during retirement, a 4% annual withdrawal rate would deplete retirement savings in 25 years. Examples are for illustrative purposes only and do not reflect the results of any particular investment, which may differ, or taxes that may be owed on tax-deferred contributions, including a potential 10% penalty for withdrawals taken before age 59½. Regular investing does not ensure a profit or protect against loss in a declining market.

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The value of saving over time



Are you ready to start saving?

Wondering where to begin?

Taking the first step toward retirement has never been more important. And contributing to your employer's retirement plan is an easy way to start.

When it comes to saving for retirement, time can be one of your greatest allies. The sooner you begin, the longer your investments have to work for you.

Getting started sometimes involves jumping over some mental hurdles. Let's take a look at a few:

Point: Getting started in a retirement plan sounds like a difficult and complex process.

Counterpoint: Actually, it's never been easier to begin.

You can enroll in your retirement plan in just two steps. Simply designate an amount to be automatically withheld from your paycheck, and select from the plan's investment options. That's it!

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.



Point: I can't afford to save for retirement – at least, not enough to make a difference.

Counterpoint: Contributing to your employer's retirement plan is one way to save for retirement. And even small amounts invested regularly can add up.

People often have a tendency to spend what they make and not know where their money goes. You may have received a pay raise, only to increase your spending by the same amount soon afterward.

If you look closely at your monthly spending habits, you can determine what level of contributions makes sense for you.

Small amounts can add up over time

Monthly contributions over 40 years	Monthly withdrawals at retirement
\$100	\$1,171
200	2,343
300	3,514

See the back page for important information regarding hypothetical examples.

Your plan's financial professional can help you plan for your financial future. Helpful online resources are also available to support you at americanfundsretirement.com.

Point: I'm thinking of putting off my retirement saving for now, but I'll catch up later.

Counterpoint: Waiting to begin saving could cost you.

The earlier you start, the better

Save
\$200/mo
for 40 years
= Retirement
withdrawals
\$2,343/mo

Start now

More time in the market gives your savings longer to compound.

Save
\$400/mo
for 30 years
= Retirement
withdrawals
\$2,000/mo

Catch up later

By waiting just 10 years to start, even twice the monthly contribution isn't enough to catch up.

See the back page for important information regarding hypothetical examples.

The most important decision you can make about saving for retirement is just that – to save!