

## MONEY

# Big Swings in The Market Haven't Dampened People's Optimism

NewsUSA

(NU) - Despite the recent wild swings in the stock market, most people predict they'll be better off financially this year.

That sense of optimism was one of the most striking findings in Fidelity Investment's tenth annual "New Year Financial Resolutions Study," and could be an encouraging sign that - despite December's rockiest performance in decades by all the major U.S. indexes - Americans still have quite a bit of confidence when it comes to the strength of the economy.

In fact, a whopping 75 percent of the adults age 18 and older who were surveyed foresaw a rosier financial future for 2019, and 42 percent said they were presently better off than the year before. What's more, the very fact that far more people were even making financial resolutions compared to last year - saving more money topped the list of such vows - was telling, according to Ken Hevert, Fidelity's senior vice president of retirement and income solutions.

"This suggests people are no longer willing to remain complacent about their finances simply because the stock market has performed well in the last decade," he says. "On the heels of what is the longest bull market in history, Americans are re-examining their past financial mistakes and revisiting areas that could stand improvement. They want to maintain momentum in the new year, no matter what the market brings."

Fattening retirement nest eggs, specifically, was among the long-term goals deemed so important that 48 percent of respondents said they intended to boost their 401(k) and/or IRA contributions by at least 1 percent of their salary. How fortuitous: The limit on annual contributions was recently raised from \$18,500 to \$19,000 for the



former, and from \$5,500 to \$6,000 for the later.

As for "re-examining their past mistakes," as Hevert puts it, 58 percent of respondents confessed to committing at least one of the following financial blunders last year:

- Dining out too much (28 percent)
- Splurging on something they couldn't really afford (19 percent)
- Neglecting to return or exchange unwanted purchases (18 percent)
- Continuing to pay for subscriptions like apps and streaming media services they no longer use (18 percent)
- Paying too much in fees for the likes of ATM machines and late payments (18 percent).

Many online tools exist to help people keep their resolutions. Fidelity, for example, has an entire webpage dedicated to the subject that anyone can access, and also offers a free "Retirement Score" tool that lets you see where you currently stand just by answering six simple questions.

So what were the top three financial resolutions for 2019? And who was the most optimistic?

The answer to the first question: Aside from the top response of saving more (a median of \$200 per month), there was paying down debt and spending less. As for the second, Millennials - with 85 percent of them predicting better times ahead.