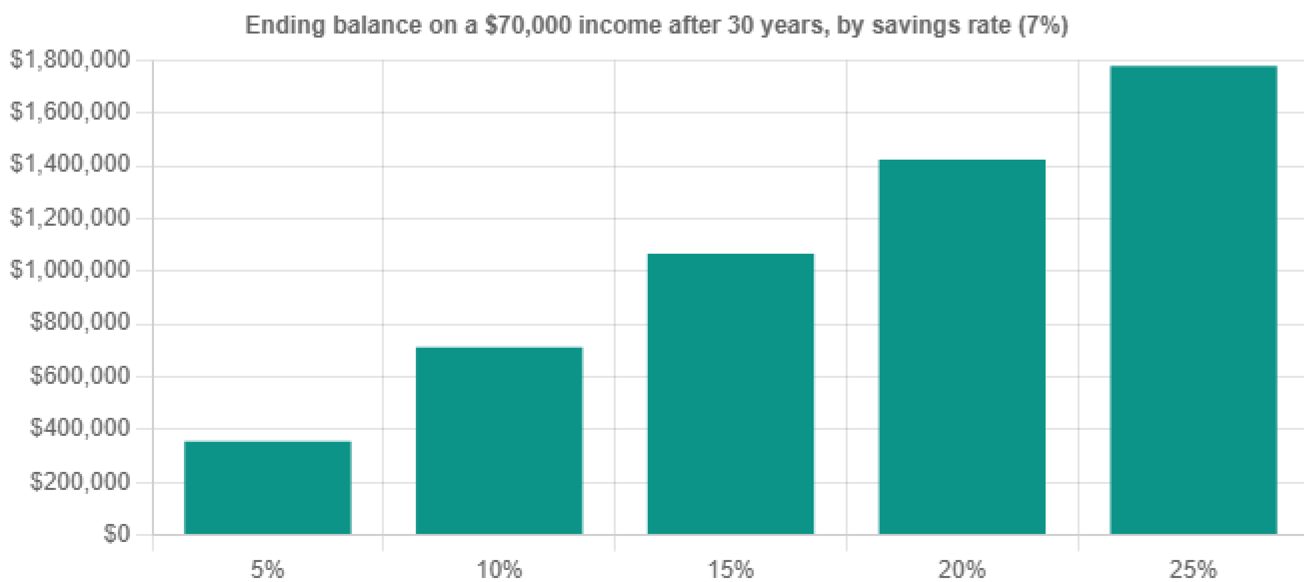
AssetBaseline

VISUAL

The Power of Your Savings Rate

> The percentage of your income you invest may be the single biggest lever on your future, larger than picking the perfect fund. This shows how much it moves the end result.

People spend enormous energy choosing investments and almost none choosing a savings rate, yet the savings rate often matters more. This holds the income, the return, and the years fixed, and changes only the share you invest.



Savings rate	Invested per month	After 30 years
5%	$292	$355,825
10%	$583	$711,650
15%	$875	$1,067,475
20%	$1,167	$1,423,299
25%	$1,458	$1,779,124

Reading the chart

Each bar is the ending balance after 30 years for someone earning 70,000 dollars who invests that share of it monthly at 7 percent. Saving 5 percent lands near 356,000 dollars.

Saving 15 percent reaches about 1.07 million dollars. Saving 25 percent gets to roughly 1.78 million dollars.

Because the balance scales directly with the amount invested, every extra 5 points of savings rate adds about 356,000 dollars here. Raising your savings rate is a lever entirely within your control, unlike the market return.

Why it beats picking winners

Doubling your savings rate reliably doubles your contributions and, with them, your ending balance. Chasing a slightly higher return is uncertain and often backfires through higher fees and risk. The savings rate is the dependable lever.

Move the return control to see that even at lower returns, a higher savings rate does most of the work. The most powerful retirement plan is usually the boring one, save a meaningful share and let time do the rest.

> **Key takeaway.** Your savings rate is the lever you fully control, and it moves the end result more than chasing a better return does.

Assumptions

- Someone earning 70,000 dollars invests a fixed share of it every month for 30 years. Change the expected return below.
- Income and the 30-year horizon are held constant so the chart isolates the effect of the savings rate alone.

Sources

- U.S. SEC Investor.gov, saving and investing basics