As high inflation persists into the second half of the year, Americans are worried about the dual risks of high inflation reducing spending power in retirement or a recession impacting retirement income. 81% of consumers reported they are worried about inflation reducing spending power and 79% were concerned about a recession driving the economy down.

Anxiety about inflation is manifesting in real-world behavior.
6 out of 10 consumers reported reducing their spending because of inflation.

Financial professionals are even more concerned than consumers about inflation, market volatility and chances of a recession
Their concerns including inflation reducing retirees spending power (92% vs. 81%), stock and bond market trends reducing retirees’ potential retirement income (87% vs. 68%), and recession driving the economy down and impacting retirement income (84% vs. 79%)

The need for protected income is accelerating and advisors are taking notice
A third of financial professionals more likely to recommend an annuity due to the current climate of rising interest rates, inflation and growing anxiety.

Nearly four out of five financial professionals (78%) have changed their approach to retirement planning in the last year.
This significant shift is largely in response to inflation—cited by 82 percent as a factor in the decision to make a change, compared to roughly half who cited other top factors, including bond returns (52%) and interest rates (48%).