

Social Security timing tradeoffs

Retirement landscape

Born 1943-1954
Age 62-73



For 1955-1960, two months are added to the Full Retirement Age each year.

1955: 66 + 2 months 1956: 66 + 4 months 1957: 66 + 6 months 1958: 66 + 8 months 1959: 66 + 10 months

Born 1960+
Age 56 or younger



2.68%

Average cost of living adjustment (1985-2016)

No cost of living adjustment for 2016 benefits

UNDERSTAND THE TRADEOFFS

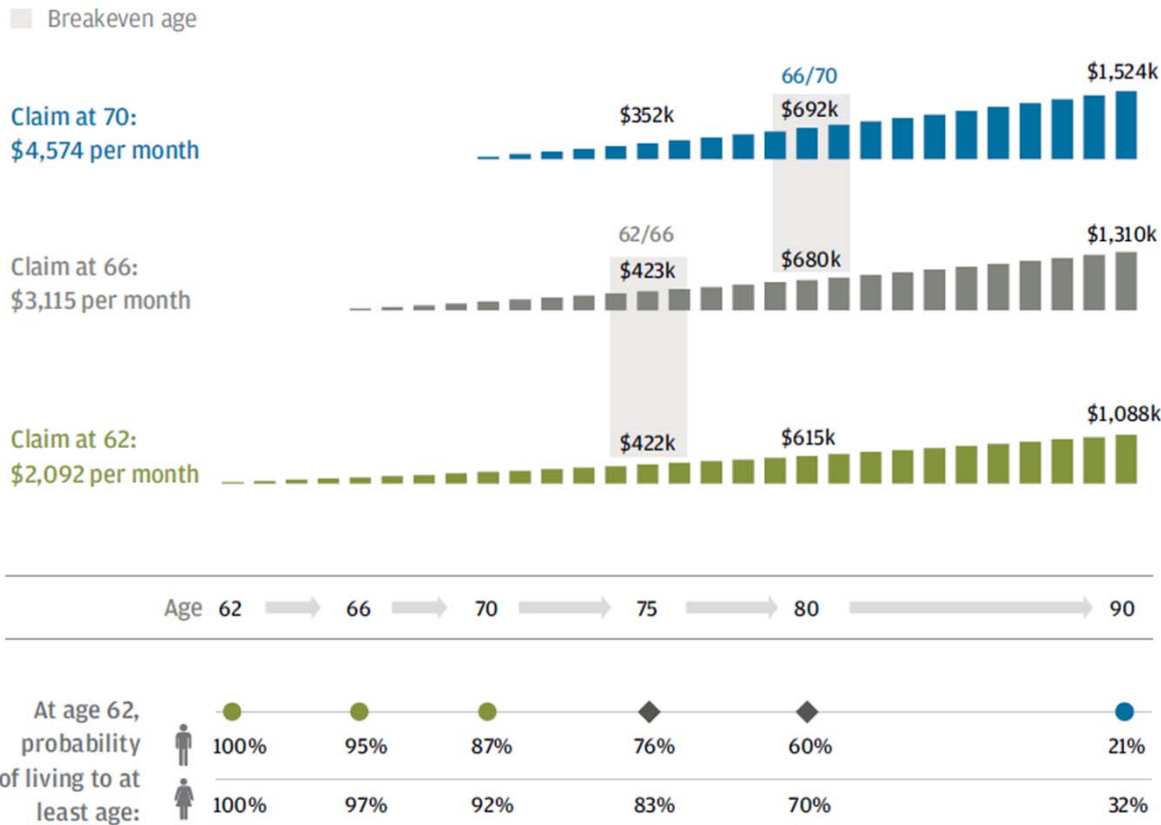
Deciding when to claim benefits will have a permanent impact on the benefit you receive. Claiming before full retirement age can significantly reduce your benefit while delaying increases it.

For illustrative purposes only. For those born between 1943 and 1954, there is a 7.3% compound growth rate for each year of waiting to take benefits. For those born in or after 1960, that compound growth rate is 7.4%.

Source: Social Security Administration, J.P. Morgan Asset Management.

Maximizing Social Security benefits

Cumulative benefit by claim age



PLANNING OPPORTUNITY

Delaying benefits means increased Social Security income later in life, but your portfolio may need to bridge the gap and provide income until delayed benefits are received.

Source: Social Security Administration, J.P. Morgan.

Assumes maximum benefits are received for individuals born in 1954 and turning 62 and 1 month, 66 and 70 and assumes the benefit will increase each year based on the Social Security Administration 2015 Trustee's Report "intermediate" estimates (starting with a benefit increase of 3.1% in 2017 and 2.7% thereafter). Monthly amounts without the cost of living adjustments (not shown on the chart) are: \$2,092 at age 62; \$2,788 at age 66; and \$3,680 at age 70. Breakeven age for choosing between claiming at 62 and 70 is age 78. Life expectancy per Social Security Administration and J.P. Morgan analysis.