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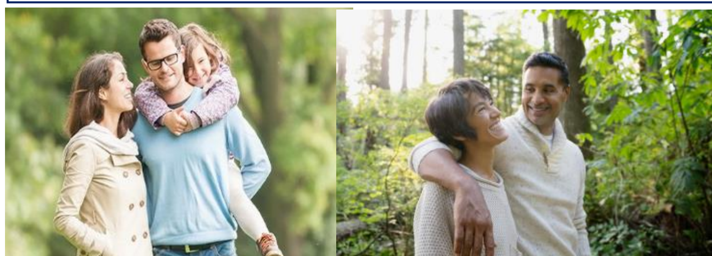


SMALL CHANGES CAN ADD UP:

THE DIFFERENCE 1% CAN MAKE IN YOUR RETIREMENT SAVINGS

If you are a participant in a 401(k) plan in the you are likely aware that contributing amounts into an employer-sponsored plan is an excellent way to be able to save for retirement.

Taking **advantage** of your employer's 401(k) plan and the automatic pre-tax contributions from your paycheck and tax-deferred growth potential may be the smartest investment you will ever make.

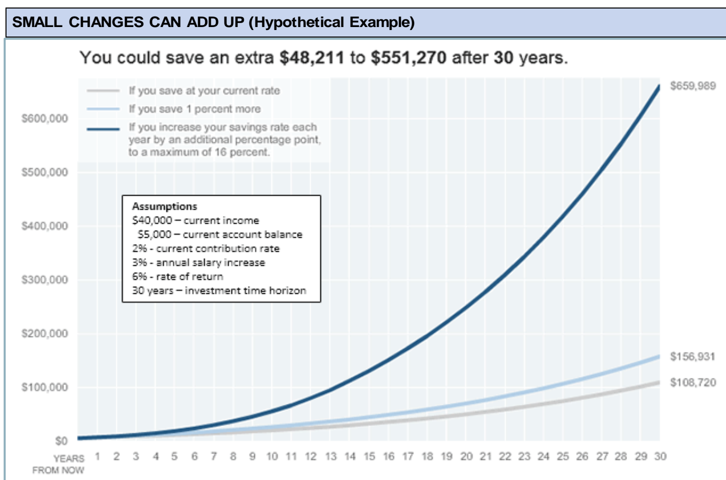
THE 1% DIFFERENCE

The value of just a 1% increase in your contribution rate from your paycheck can potentially mean a large increase in your retirement account over time. The value of annual 1% increases could potentially be what you need to have the retirement you dream about.

INCREASING YOUR CONTRIBUTION RATE

Proactive management of your retirement account is one of the keys to working towards your long-term goals. Take the time the review your account and see how you are measuring up against your retirement goal and if you should to consider increasing your 401(k) contribution rate. You may be surprised at the impact this small change can have on your total savings.

SMALL CHANGES CAN ADD UP (Hypothetical Example)



Withdrawals from tax-deferred products are subject to normal income tax treatment and if taken prior to age 59 ½ may be subject to an additional 10% federal income tax penalty. Please keep in mind that rates of return will vary over time, particularly for long term investments. Investments offering the potential for higher rates of return also involve a higher degree of risk. This example does not take into account the effect of investment management fees, product-related fees, withdrawals, or taxes.

Learn More About the Impact of Increasing Your Contribution Rate

Visit the program website to access retirement tools and calculators to help you see the impact a higher contribution rate could have on your retirement accounts.

RETIREMENT PLANNING MAY BE AS EASY AS ASKING YOURSELF

"WHEN DO I PLAN TO RETIRE?"

Simplify your retirement planning

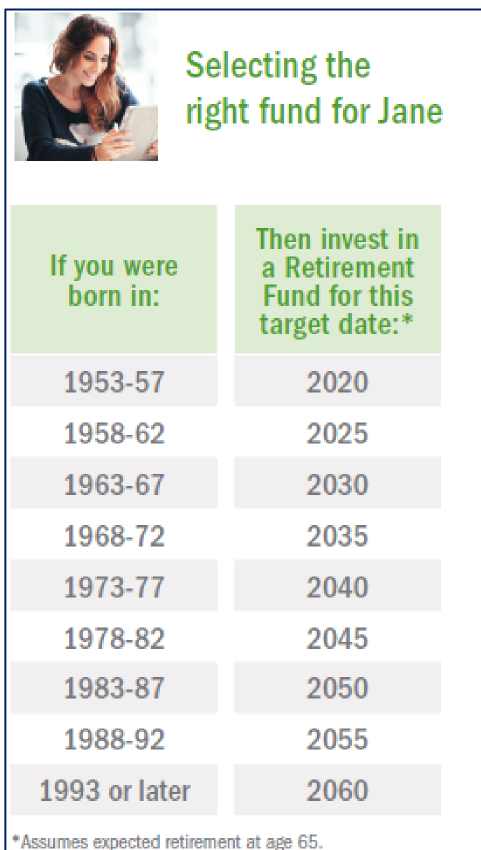
Select the 1290 Retirement Fund that lines up with your retirement date, and we'll take it from there.

Retirement planning may be easier than you think, especially if you select one of the nine 1290 Retirement Funds, managed by 1290 Asset Managers®. Each fund comes with a specific retirement target date and is guided by a strategic risk-management discipline that automatically shifts their allocation to anticipate the investor's risk tolerance at different stages of life. This shift is often called a "glide path" and means that, with investments that adjust over time, you'll have an age-appropriate balance between capital growth (equity investments, such as stocks) and capital preservation (fixed-income investments, such as bonds) as you approach and enter retirement.

You make one decision. It's that easy.

With a 1290 Retirement Fund, you simply choose the fund that best corresponds to your expected retirement date. If you're planning to retire in 2030 at age 65, choose 1290 Retirement Fund 2030. After that, the risk-management discipline takes over. That can simplify your investing – all the way to retirement and beyond.

Here's how a 1290 Retirement Fund can simplify your retirement planning:


Selecting the right fund for Jane

If you were born in:	Then invest in a Retirement Fund for this target date:*
1953-57	2020
1958-62	2025
1963-67	2030
1968-72	2035
1973-77	2040
1978-82	2045
1983-87	2050
1988-92	2055
1993 or later	2060

*Assumes expected retirement at age 65.

Let's say Jane is 35 years old today (born in 1984) and is planning to retire at age 65 (around year 2050). With 30 years until retirement, she would choose 1290 Retirement Fund 2050. Because she's so far from retirement, her asset allocation is close to 90% equities/10% fixed income.

How the glide path works

As Jane gets older (and closer to retirement), her fund will slide down the glide path, allocating fewer assets to equities and more to fixed income as her allocation becomes more conservative. At age 55, for example, she's 10 years from retirement and has an allocation close to 70% equities/30% fixed income. At retirement (age 65), her allocation is 50% equities/50% fixed income. As she begins taking retirement income, her fund continues down the glide path until it finally levels out 10 years after retirement at 20% stocks/80% bonds, with a relatively stable mix and a focus on supporting an income stream for the long term.

Keep in mind

- The allocation glide path assumes that the expected retirement year occurs at age 65. Review all target date funds carefully to determine which best aligns with your individual retirement goals.
- These funds are not designed for a lump-sum redemption at the target year and do not guarantee a particular level of income.

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Here's how a 1290 Retirement Fund can simplify your retirement planning:

Choosing a fund is easy

Funds include a target retirement date, from 2020 to 2060, in 5-year intervals. Just choose the one closest to the date you expect to start retirement.

Instant diversification

To keep your holdings well diversified, each fund includes a mix of asset classes and securities. While diversification doesn't assure a profit or protect against loss, it can help to smooth ups and downs in portfolio performance.

Automatic rebalancing

At any given time, a fund will have a specific model asset allocation (ex: 40% stocks, 60% bonds). Changes in the market can cause these allocations and specific holdings to become overweighted or underweighted (stocks may go from 40% to 45%, bonds may go from 60% to 55%). The portfolio manager aims to keep each funds' holdings aligned with the model allocations, so if shifts occur, the manager will bring the allocation back into alignment. This helps keep your strategy on track through changing markets.

You're investing in ETFs

The 1290 Retirement Funds invest in exchange-traded funds (ETFs). ETFs are baskets of securities that trade like stocks and track market indices. Many investors like ETFs because they are transparent, so you can see the underlying investments and prices, and they are easily traded with attractive pricing compared to actively managed stock portfolios.

Some of the ETFs are designed to help manage volatility

The 1290 Retirement Funds may invest in low-volatility ETFs. These ETFs include equity securities whose prices tend to be more consistent, with fewer swings up and down, than you might see in the broad market. This lets you capture a portion of the return in both rising and falling stock markets and can give you the potential for growth with lower volatility, so you can feel confident staying invested.

For additional information on the 1290 Retirement Funds, including the fund prospectuses, fund fact sheets, and up-to-date performance and fund expenses, visit the program website.

NOTES ON "When do I Plan to Retire?" article

An investment in the funds will not ensure that an investor will have assets sufficient to cover retirement expenses or that an investor will have enough saved to be able to retire in, or within a few years of, the target year identified in the funds' names.

Investments in foreign securities, including depositary receipts, involve risks not associated with investing in U.S. securities. Foreign markets, particularly emerging markets, may be less liquid, more volatile and subject to less government supervision than domestic markets. Security values also may be negatively affected by changes in the exchange rates between the U.S. dollar and foreign currencies. Differences between U.S. and foreign legal, political and economic systems, regulatory regimes and market practices also may impact security value and it may take more time to clear and settle trades. Equity securities involve the risk that the value of the securities may fluctuate, sometimes widely fluctuate, in response to changes in a company's financial condition as well as general market, economic and political conditions and other factors. Fixed-income investments are subject to interest rate risk so that when interest rates rise, the prices of fixed-income securities can decrease and the investor can lose principal value. To the extent the funds invest in underlying ETFs, the funds will be subject to the risks associated with the securities and other investments in which the underlying ETF invests and the ability of a fund to meet its investment objective will directly depend on the ability of the underlying ETFs to meet their investment objectives. In addition, the use of volatility management techniques by the underlying ETF may limit a fund's participation in market gains, particularly during periods when market values are increasing, but market volatility is high.

Diversification does not eliminate the risk of experiencing investment losses.

An investor should consider the investment objectives, risks, charges and expenses of a fund carefully before investing. To obtain a prospectus containing this and other information, please download the file from the program website. Read the prospectus carefully before you invest.

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Are You Investing Too Conservatively?

INFLATION RISK: IMPACT ON SAVINGS

What is Inflation risk and how does it affect your retirement savings?
Inflation risk is the chance that your investment will lose purchasing power over time due to the rising cost of living. Inflation is the rising cost of goods and services. It is measured by the Consumer Price Index, or CPI. Inflation has been a very consistent fact of life in the U.S. economy. Dating back to 1945, the purchasing power of the dollar has declined in value every year but two -- 1949 and 1954. Still, inflation rates were generally considered moderate until the 1970s. The average annual rate from 1900 to 1970 was approximately 2.5%. From 1970 to 1990, however, the average rate increased to around 6%, hitting a high of 13.3% in 1979.[1] Recently, rates have been closer to the 1% to 3% range; the inflation rate was 1.9% in 2018.

Over time almost everything becomes more expensive. If your investment doesn't keep pace with inflation, it will steadily lose value. That's the hidden cost of investing too conservatively.

The Cost of the Future		
Item	**Price in 2019**	**Price in 2039**
Refrigerator	$1,500	$3,287
Automobile	$23,000	$50,396
Based on an average inflation rate of 4%.		

Consider these findings from a study of Standard & Poor's data: An analysis of holding periods between 1926 and December 31, 2018, found that the annualized return for a portfolio composed exclusively of stocks in Standard & Poor's Composite Index of 500 Stocks was 10.00% -- well above the average inflation rate of 3.00% for the same period. The annualized return for long-term government bonds, on the other hand, was only 5.4%.[2]

A Balancing Act

There are many ways to include stocks in your long-term plan in whatever proportion you decide is appropriate. You and your professional financial planner could create a diversified portfolio of shares from companies you select.[3] Another option is a stock mutual fund, which offers the benefit of professional management. Stock mutual funds have demonstrated the same long-term growth potential as individual stocks. Of course, there is risk including possible loss of principal invested.

Keep in mind that stocks do involve greater risk of short-term fluctuations than other asset classes. Unlike a bond, which guarantees a fixed return if you hold it until maturity, a stock can rise or fall in value based on daily events in the stock market, trends in the economy, or problems at the issuing company. But if you have a long investment time frame and are willing to hold your ground during short-term ups and downs, you may find that stocks offer the best chance to beat inflation.

The key is to consider your time frame, your anticipated income needs, and how much volatility you are willing to accept, and then construct a portfolio with the mix of stocks and other investments with which you are comfortable. For instance, if you have just embarked on your career and have 30 or 40 years until you plan to retire, a mix of 70% stocks and 30% bonds might be suitable.[4] But even if you are approaching retirement, you may still need to maintain some growth-oriented investments as a hedge against inflation. After all, your retirement assets may need to last for 30 years or more, and inflation will continue to work against you throughout.

Take Steps to Tame Inflation

Whatever your investor profile -- from first-time investor to experienced retiree -- you need to keep inflation in your sights. Stocks may be your best weapon, and there are many ways to include them. Check out the program website for more information on the investment options available to you as a participant in your retirement plan.

Points to Remember

1. When investing for long-term goals, you need to consider the effects of inflation on your investment returns.
2. Inflation is the rising price of goods and services along with the decreasing purchasing power of money.
3. Diversifying your portfolio with stocks and stock mutual funds may offer the best chance of beating inflation over the long term.[3]
4. Remember to consider your time frame and risk tolerance when considering investments for your portfolio.

Bonds do carry interest rate risk which will impact the value of the bond if liquidated prior to maturity. There is a possible loss of principal invested.

[1]Source: U.S. Bureau of Labor Statistics, 2018.
[2] Source: DST Systems, Inc. Stocks are represented by the S&P 500 index. Bonds are represented by a composite of returns derived from yields on long-term government bonds, published by the Federal Reserve, and the Bloomberg Barclays Long-Term Government Bond index. Inflation is represented by the change in the Consumer Price Index.
[3]Diversification does not ensure against loss.
[4]These allocations are presented only as examples and are not intended as investment advice. Please consult a financial professional if you have questions about these examples and how they relate to your own financial situation. The investor profile is hypothetical.

IMPORTANT NOTE
AXA Equitable Life believes that education is a key step for retirement participants towards addressing their financial goals, and we've designed this material to serve as an informational and educational resources for plan participants. Accordingly, this discussion does not offer or constitute investment, tax, or legal advice and makes no direct or indirect recommendation of any particular product or of the appropriateness of any particular investment-related option. Your needs, goals, and circumstances are unique, and they require the attention of a financial professional. Any tax information provided in this content is not intended or written to be used and cannot be used by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer. The tax information was written to support the promotion or marketing of the transaction(s) or matter(s) addressed and you should seek advice based on your particular circumstances from an independent tax advisor.

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