
U.S. ranks 19th of 20 in Natixis Global Retirement Index

By Kerry Pechter Thu, Feb 27, 2014

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The United States narrowly holds its spot among the top 20 nations globally in its capacity to meet retirement security needs and expectations, according to the 2014 Global Retirement Index, published today by Natixis Global Asset Management. The U.S. scored 19th among 150 nations analyzed, as the benefits of increasing U.S. economic stability are moderated by the potential for rising interest rates and inflation, as well as persistent income inequality.

The 2014 Global Retirement Index is based on an analysis by Natixis Global Asset Management of 20 key trends across four broad categories: Health and healthcare quality, personal income and finances, quality of life and socio-economic factors. Together, these trends provide a dynamic measure of the life conditions and wellbeing expected by retirees and near-retirees.

The U.S. scored higher year over year in all four broad categories, yet was surpassed by other nations trending higher in areas such as healthcare and government debt. For overall retirement security, the U.S. remains behind the majority of countries in Western Europe and Canada, and ahead only of Israel on the list of the top 20 nations. Despite ranking sixth highest in per capita income, the U.S. ranks first in per capita healthcare expenditures, yet 33rd for life expectancy and relatively low (81st) for income inequality.

The 2014 Global Leaders

Retirees in European countries enjoy the greatest financial security in retirement, with eight of the top 10 places among the 150 nations. Countries heading the global list include top-ranked Switzerland, second-ranked Norway (last year's no. 1), Austria, Sweden, Denmark, Germany, Finland and Luxembourg. Australia and New Zealand are the only non-European countries to break into the top 10 globally.

New Zealand, Iceland and the Republic of Korea are the most improved performers in the top tier of the rankings, with each climbing at least 10 places from last year to enter the top 20. In contrast, Japan dropped from the top 20, as did export-dependent European nations Slovenia and Slovakia. The following table highlights the top 20 countries for 2014 and shows their ranking from last year.

Top 20 Nations for 2014

1. Switzerland (ranked 2nd in 2013)
2. Norway (1)
3. Austria (5)
4. Sweden (4)
5. Australia (11)
6. Denmark (8)
7. Germany (9)

8. Finland (6)
9. New Zealand (22)
10. Luxembourg (3)
11. Iceland (23)
12. Belgium (14)
13. Netherlands (7)
14. Canada (13)
15. France (10)
16. Czech Republic (17)
17. Republic of Korea (27)
18. United Kingdom (20)
19. United States (19)
20. Israel (12)

For a more detailed overview of the Natixis Global Retirement Index, including the rankings of all 150 nations evaluated, go to www.durableportfolios.com.