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Millennials Are Edging Out Boomers and Gen Xers



By [Juliette Fairley](#)

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Despite the common mistakes of young people, millennials slightly edge out Gen Xers when it comes to money management.

About 76% name cash flow as a priority, according to a Financial Finesse study. “We all know making rational decisions consistently is a challenge for the best of us,” said Jerry Braakman, chief investment officer with First American Trust in Santa Ana, California.

Gen Xers are in the most danger and the least likely to achieve financial security with only 17% on track to retire comfortably. Boomers face an impending health care crisis due to longevity and inadequate insurance planning. Only 16% of Boomers report having long-term care insurance, despite estimates from the U.S. Department of Health and Human Services that 70% will require some level of care in retirement.

That’s compared to some 72% of millennials who have a handle on cash flow so that spending is less than they earn every month.

However, being overly focused on saving for the future has its drawbacks.

“Focusing too much on the future is called worrying and the more technical term is anxiety, which can lead to depression,” said Jeanette Raymond, a licensed therapist practicing in Los Angeles.

Despite suffering unique pain points, all generations are at a critical financial crossroads with millennials tending to be overly invested in equities.

Largely 65% of employees in their 20s had more than 80% of their retirement account balance invested in equities, according to an EBRI/ICI report.

“Many chase prior period returns without understanding that the conditions that made those investments outperform may not persist,” Braakman told Newsmax Finance. “You have to think rationally as to why it’s behaving well or not.”

Since all investments have some inherent risk, monitoring a portfolio regularly is one way to reduce the chance of making mistakes.

“It takes a lot of time, energy and attention to review accounts,” Raymond said. “That's why large companies and the government offer their employees pension schemes that workers don't have to worry about so that they can concentrate on their jobs rather than the future.”

Juliette Fairley is an author, lecturer and TV host based in New York. To read more of her work, **[Click Here Now](#)**.

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