



Contact: Zorast Wadia  
Milliman, Inc.  
Tel: +1 646 473 3315  
[zorast.wadia@milliman.com](mailto:zorast.wadia@milliman.com)

---

FOR IMMEDIATE RELEASE

**Press Release**

## **Milliman analysis: Corporate pension funded ratio climbs to 92.9% in February**

**Milliman PFI funded status improves by \$67 billion thanks to monthly discount rate increase**

SEATTLE – MARCH 8, 2021 – Milliman, Inc., a premier global consulting and actuarial firm, today released the latest results of its latest Pension Funding Index (PFI), which analyzes the 100 largest U.S. corporate pension plans.

In February, corporate pension funding improved by \$67 billion thanks to a 26-basis-point increase in the monthly discount rate, from January's 2.62% to 2.88% as of February 28. As a result, the funded status deficit dropped to \$133 billion at month's end. Meanwhile, the market value of assets dropped by \$2 billion for the month, the result of a meager 0.13% investment gain. Overall the funded ratio for the Milliman PFI plans climbed from 89.7% at the end of January to 92.9% as of February 28, the fifth straight month of improved funding for these plans.

"The funded ratio for corporate pensions has climbed by nearly ten percentage points over the past twelve months," said Zorast Wadia, author of the Milliman 100 PFI. "We're finally seeing some good discount rate news for these plans, making up for the poor investment returns over the past two months."

Looking forward, under an optimistic forecast with rising interest rates (reaching 3.38% by the end of 2021 and 3.98% by the end of 2022) and asset gains (10.5% annual returns), the funded ratio would climb to 106% by the end of 2021 and 125% by the end of 2022. Under a pessimistic forecast (2.38% discount rate at the end of 2021 and 1.78% by the end of 2022 and 2.5% annual returns), the funded ratio would decline to 87% by the end of 2021 and 80% by the end of 2022.

To view the complete Pension Funding Index, go to [www.milliman.com/pfi](http://www.milliman.com/pfi). To see the 2020 Milliman Pension Funding Study, go to [www.milliman.com/pfs](http://www.milliman.com/pfs). To receive regular updates of Milliman's pension funding analysis, contact us at [pensionfunding@milliman.com](mailto:pensionfunding@milliman.com).

### **About Milliman**

Milliman is among the world's largest providers of actuarial and related products and services. The firm has consulting practices in healthcare, property & casualty insurance, life insurance and financial services, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. For further information, visit [milliman.com](http://milliman.com).

###