PITTSBURGH, April 24, 2014 /PRNewswire/ -- More than half (52 percent) of retirees have withdrawn funds from their retirement savings without a strategy in place and slightly more (53 percent) are concerned about running out of money. Of those drawing down from their investments, 59 percent say the money is to cover expenses, according to PNC’s semi-annual Perspectives of Retirement survey.

Retirees are more likely to withdraw money as they age (61 percent of 65-75 year olds), but nearly 40 percent of young retirees (64 or younger) are already drawing down from savings. Almost two-thirds (63 percent) are concerned that Social Security or pensions will not be enough to cover expenses and needs in retirement, according to the telephone survey conducted in February and March.

"Most retirees don't have a plan for drawing down savings and that is a concern," said Joseph Jennings, senior vice president of Wealth Management with PNC. "Using savings to cover expenses indicates that retirees may not have a retirement income strategy in place and are putting themselves at greater risk of outliving their funds."

One-third (35 percent) say the amount of money they use in retirement is about what they expected, but nearly as many (31 percent) had no specific expectations with the remainder split evenly between those who are spending more and those who are spending less.

According to the survey, retirees concerned about running out of money have made efforts to control their expenses, budget more tightly and are taking various actions to reduce costs or raise income, among other actions.

The 53 percent who fear running out of money report:

- Two-thirds have changed the way they manage their money. Fifty-nine percent have reduced expenses and 41 percent budget more carefully.
- Those who are concerned are more likely to say they get a higher percentage of retirement income from savings or investments (an average of 35 percent vs. 24 percent).
- The equity in their home is more likely to be important to their retirement plans, however, they are more reluctant to rely on the equity.
- They have significantly fewer assets: On average, total investable assets are $225,000, compared with average assets of $411,000 among those who are not concerned.

The survey also found that retirees continue to rely heavily on Social Security. Almost eight in 10 (77 percent) receive Social Security, while 66 percent have a pension and 50 percent use money from savings and investments.

"The need for early retirement planning is crucial, and those nearing retirement can no longer take risk out of their portfolios. We're living longer and need more funds to afford our longevity," said Jennings. "Younger generations do not have pensions to rely on, so early planning is more important than ever."

Financial Tips
PNC helps consumers increase their retirement planning awareness through an interactive experience in the PNC Retirement Center on https://www.pncsites.com/retirementcenter/index.html.

An online media kit containing survey highlights and background information and are available on PNC’s website at http://www.pnc.com/pncpresskits.

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Survey Methodology
The Perspectives of Retirement Survey was commissioned by PNC to identify attitudes and behaviors of adults in America. The study was conducted by telephone within the United States Feb. 5 – March 3 2014 among a nationwide cross section of 1,206 adults age 35 to 75. Findings for the retired sample are significant at the 95 percent confidence level with a margin of error of +/- 6 percent.

The survey was designed by Artemis Strategy Group (www.Artemissq.com), a communications strategy research firm specializing in brand positioning and policy issues.

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