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# Wealth Distribution in the U.S. By Generation

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flexibility and financial infrastructure than their children, while younger households must dedicate an ever-greater share of their money to non-discretionary spending like housing.

If you want to grow your wealth, a financial advisor can help you choose investments for your portfolio and create a plan.



## Wealth Breakdown By Age and Generation

According to the [Federal Reserve](#), Americans hold about \$151.68 trillion in total wealth. This is measured as the market value of a wide variety of asset classes, [including](#):

- Real estate
- Durable goods
- Retirement portfolios and benefits
- Financial securities
- Private businesses

The Federal Reserve breaks its data down by both age range and generation, although its most recent analysis does not include a category for Generation Z (generally defined as people born in 1998 or later). Across all asset categories, wealth is held overwhelmingly by older Americans and Baby Boomers in particular:

### Wealth Distribution By Age

- Total Wealth: \$151.68 Trillion
- Under 40: \$9.90 Trillion, 6.5% of total wealth
- 40 – 54: \$30.76 Trillion, 20.3% of total wealth
- 55 – 69: \$64.13 Trillion, 42.3% of total wealth
- 70+: \$46.89 Trillion, 30.9% of total wealth

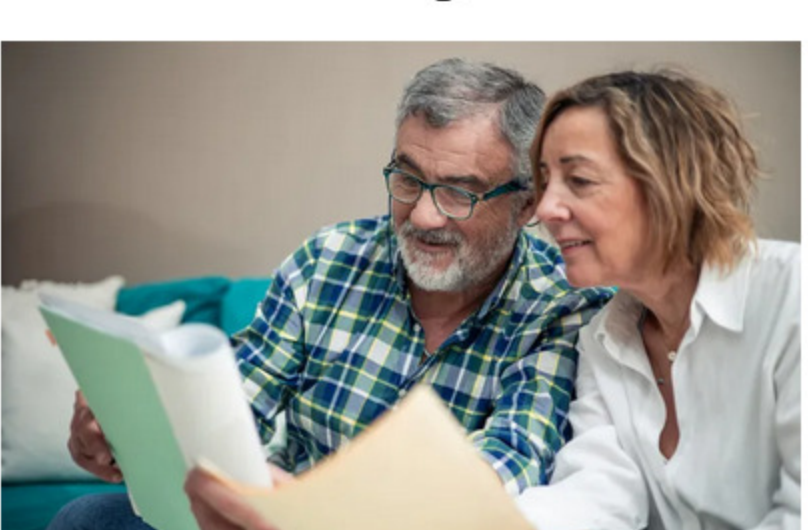
### Wealth Distribution By Generation

- Total Wealth: \$151.68 Trillion
- Millennials and Gen Z (born 1981 or later): \$14.21 Trillion, 9.4% of total wealth
- Generation X (born 1965 – 1980): \$39.09 Trillion, 25.8% of total wealth
- Baby Boomers (born 1946 – 1964): \$78.55 Trillion, 51.8% of total wealth
- Silent and Earlier (born before 1946): \$19.84 Trillion, 13.1% of total wealth

These numbers measure asset value rather than quantity. That is to say, it doesn't represent how many equities, bonds, parcels of land or other assets a given cohort owns, but rather the collected value of those holdings.

The Federal Reserve's wealth measure is also corrected for some liabilities. Specifically, this accounts for mortgages, consumer credit and some general "other" liabilities. It does not appear to include [student debt](#), however, which at time of writing was \$1.72 trillion and primarily [concentrated](#) among younger Americans. As a result, this likely over-represents the total household wealth of younger Americans, as it omits one of their greatest sources of debt.

## The Great Asset Migration



Historically, overall household wealth has tended to follow a sloped-curve distribution around age. Younger households held less wealth as they grew into their careers and earning potential. That [wealth built](#) over the course of a generation's working life as households accumulated savings and assets, then began to decline in retirement. The result was an age-based distribution

weighted toward households between the ages of 40 and 69, with less wealth on either side. For example, here is the [Federal Reserve's](#) distribution by age for 1990:

- Total Wealth: \$20.87 Trillion
- Under 40: 2.46 Trillion, 11.8% of total wealth
- 40 – 54: \$6.65 Trillion, 31.9% of total wealth
- 55 – 69: \$7.76 Trillion, 37.2% of total wealth
- 70+: \$4.00 Trillion, 19.2% of total wealth

Note that due to birth dates there is no comparable generational distribution.

This distribution shows a stark shift of assets upward over the past 34 years. In 1990, the U.S. wealth distribution was concentrated around earning-age households. Young Americans held roughly twice as much in proportional assets as they do today, with the under-40 cohort owning about 11.8% of all wealth. The same is true for middle-aged households, who once held about 31.9% of all assets and today own only about 20.3% of American wealth.

In place of this curve that peaked during the highest-earning years of a household's working life, current wealth distribution peaks during the years near- or in-retirement. In place of 1990's middle-heavy distribution (almost 70% of all wealth held by working-age households), 2024's distribution places about 65% of all wealth in households over the age of 60.

Among other factors, this suggests that wealth has shifted from an earnings-based model toward an investment-based model. Wealth and assets were once concentrated among households with the highest income and, as a result, the highest ability to save money and buy new assets. Today, wealth is concentrated among households with the most time for asset growth and returns, suggesting that the greatest value currently comes from owning previously purchased assets.

This is further supported by the nature of assets among the generations. For households over the age of 60, [overwhelmingly](#) their most valuable assets are real estate and securities. These are asset classes that tend to gain the most value from time, suggesting that much of the upward wealth distribution is due to appreciation of assets that older Americans purchased years ago.

For younger Americans, this suggests that the path to wealth has changed. It may now be focused on time rather than savings.

Millennials and Generation Z struggle with costs, particularly education and housing, in a way that previous generations never faced. Setting aside the money for long-term investing is difficult for this cohort, and the same skyrocketing assets prices that have made their parents rich makes it difficult to buy into many different markets.

However, households that can manage this issue can begin to invest for their future now. If it is true that wealth distribution in the United States has shifted from an earnings-forward model to an investment-forward model, then current households can age into this wealth by investing today for the same long-term appreciation.



## Bottom Line



Wealth is heavily distributed by age and generation in the United States, with older Americans owning more than 70% of all assets. While much of this has to do with the recent rise in debt and prices, locking many younger households out of the opportunities their parents had, it still suggests that investment is a strong long-term path to building wealth over your lifetime.

## Tips on Growing Your Portfolio

- Whether you're just starting your investment journey or looking to fine-tune your approach, these [10 long-term investing strategies and tactics](#) can help you get started.
- A financial advisor can help you grow your portfolio. [Finding a financial advisor](#) doesn't have to be hard. [SmartAsset's free tool](#) matches you with up to three vetted financial advisors who serve your area, and you can have a free introductory call with your advisor matches to decide which one you feel is right for you. If you're ready to find an advisor who can help you achieve your financial goals, [get started now](#).

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### ERIC REED

Eric Reed is a freelance journalist who specializes in economics, policy and global issues, with substantial coverage of finance and personal finance. He has contributed to outlets including The Street, CNBC, Glassdoor and Consumer Reports. Eric's work focuses on the human impact of abstract issues, emphasizing analytical journalism that helps readers more fully understand their world and their money. He has reported from more than a dozen countries, with datelines that include Sao Paolo, Brazil; Phnom Penh, Cambodia; and Athens, Greece. A former attorney, before becoming a journalist Eric worked in securities litigation and white collar criminal defense with a pro bono specialty in human trafficking issues. He graduated from the University of Michigan Law School and can be found any given Saturday in the fall cheering on his Wolverines.

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