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# Assessing the Baby Boomers' Financial Wellness Using Financial Ratios and a Subjective Measure

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## Abstract

The purpose of the study was to examine the financial wellness of the baby boomers using two definitions of financial wellness: objective and subjective financial wellness. With data on 2,021 baby boomer households from the 2001 Survey of Consumer Finances, the study examined factors related to three measures of objective wellness and one measure of subjective wellness. The results showed that 20% met the guideline for liquid assets-to-income, 74% met the guideline for debt-to-assets, 62% met the guideline for investment assets-to-net worth, and 64% said that compared to others of their generation and background, they were lucky in their financial affairs. The results help consumer educators and financial advisors understand which factors should be emphasized when providing information to baby boomers.

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