



Saving Early in a Roth IRA

The Power of a Funding a Roth IRA Early

Let's examine two different scenarios assuming 8% annual returns

Saver #1 starts saving \$6,500 at age 25 and saves for 10 years.

Saver #2 starts saving at age 35 and continues to save until age 65.

Year	Age	Saver #1	Balance	Saver #2	Balance
1	25	\$ 6,500	\$ 7,020		
2	26	\$ 6,500	\$ 14,082		
3	27	\$ 6,500	\$ 21,708		
4	28	\$ 6,500	\$ 29,945		
5	29	\$ 6,500	\$ 38,840		
6	30	\$ 6,500	\$ 48,448		
7	31	\$ 6,500	\$ 58,823		
8	32	\$ 6,500	\$ 70,029		
9	33	\$ 6,500	\$ 82,132		
10	34	\$ 6,500	\$ 95,202		
11	35		\$ 109,318	\$ 6,500	\$ 7,020
12	36		\$ 118,064	\$ 6,500	\$ 14,082
13	37		\$ 127,509	\$ 6,500	\$ 21,708
14	38		\$ 137,710	\$ 6,500	\$ 29,945
15	39		\$ 148,726	\$ 6,500	\$ 38,840
16	40		\$ 160,624	\$ 6,500	\$ 48,448
17	41		\$ 173,474	\$ 6,500	\$ 58,823
18	42		\$ 187,352	\$ 6,500	\$ 70,029
19	43		\$ 202,341	\$ 6,500	\$ 82,132
20	44		\$ 218,528	\$ 6,500	\$ 95,202
21	45		\$ 236,010	\$ 6,500	\$ 109,318
22	46		\$ 254,891	\$ 6,500	\$ 124,564
23	47		\$ 275,282	\$ 6,500	\$ 141,029
24	48		\$ 297,305	\$ 6,500	\$ 158,811
25	49		\$ 321,089	\$ 6,500	\$ 178,016
26	50		\$ 346,776	\$ 6,500	\$ 198,757
27	51		\$ 374,518	\$ 6,500	\$ 221,158
28	52		\$ 404,480	\$ 6,500	\$ 245,351
29	53		\$ 436,838	\$ 6,500	\$ 271,479
30	54		\$ 471,785	\$ 6,500	\$ 299,697
31	55		\$ 509,528	\$ 6,500	\$ 330,173
32	56		\$ 550,290	\$ 6,500	\$ 363,087
33	57		\$ 594,313	\$ 6,500	\$ 398,633
34	58		\$ 641,858	\$ 6,500	\$ 437,024
35	59		\$ 693,207	\$ 6,500	\$ 478,486
36	60		\$ 748,664	\$ 6,500	\$ 523,265
37	61		\$ 808,557	\$ 6,500	\$ 571,626
38	62		\$ 873,241	\$ 6,500	\$ 623,856
39	63		\$ 943,101	\$ 6,500	\$ 680,265
40	64		\$ 1,018,549	\$ 6,500	\$ 741,186
Total Saved		\$ 65,000		\$ 195,000	