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Press Release

Milliman analysis: September market gains lift corporate pension funding for sixth straight month

Milliman 100 PFI plans end third quarter 106.5% funded, nearing 2007's high-water mark

SEATTLE – OCTOBER 8, 2025 – [Milliman, Inc.](#), a premier global consulting and actuarial firm, today released its monthly Milliman 100 Pension Funding Index (PFI), which analyzes the 100 largest U.S. corporate pension plans.

September's returns of 2.50% helped to offset a 17-basis-point drop in discount rates and lift the PFI funded ratio from 106.3% as of August 31 to 106.5% as of September 30—the highest level since late 2007. These gains added \$26 billion to the market value of plan assets and swelled the funded status surplus to \$80 billion. Meanwhile, discount rates continued their 2025 decline and fell to 5.36% in September, raising plan liabilities by \$22 billion. During the third quarter, the plans earned 4.14% returns while discount rates slipped 16 basis points, resulting in a net funded status improvement of \$16 billion.

"Robust returns helped corporate pension funding levels improve for the sixth straight month in September," said Zorast Wadia, author of the Milliman PFI. "The last time ratios were higher was in October 2007, when they reached 108.1%, right before the financial crisis. With more declines in discount rates likely ahead, funded ratios may lose ground unless plan assets move in lockstep with liabilities."

Looking forward, under an optimistic forecast with rising interest rates (reaching 5.51% by the end of 2025 and 6.11% by the end of 2026) and asset gains (10.53% annual returns), the funded ratio would climb to 110% by the end of 2025 and 124% by the end of 2026. Under a pessimistic forecast (5.21% discount rate at the end of 2025 and 4.61% by the end of 2026 and 2.53% annual returns), the funded ratio would decline to 104% by the end of 2025 and 95% by the end of 2026.

Read this month's complete [Pension Funding Index](#) or Milliman's full range of [annual Pension Funding Studies](#). For regular updates of Milliman's pension funding analysis, email pensionfunding@milliman.com.

About Milliman

Milliman leverages deep expertise, actuarial rigor, and advanced technology to develop solutions for a world at risk. We help clients in the public and private sectors navigate urgent, complex challenges—from extreme weather and market volatility to financial insecurity and rising health costs—so they can meet their business, financial, and social objectives. Our solutions encompass insurance, financial services, healthcare, life sciences, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. Visit us at milliman.com.

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