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Press Release

Milliman analysis: Corporate pension funded ratio drops to 104.1% in March as market losses outpace rise in discount rates

Milliman 100 PFI plans lose \$8 billion in funded status during first quarter of 2025

SEATTLE – APRIL 9, 2025 – [Milliman, Inc.](https://www.milliman.com), 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.

Poor investment returns in March of -1.38% caused the PFI plan asset value to fall \$25 billion for the month, to \$1.301 trillion, and the funded status surplus to decline by \$7 billion, to \$51 billion as of March 31. This result was only partially offset by a 13-basis-point rise in discount rates during the month, to 5.49%, which reduced plan liabilities by \$18 billion, to \$1.250 trillion at month's end. Still, the PFI funded ratio dropped from 104.6% at the end of February to 104.1% at the end of March. During the first quarter, discount rates fell 10 basis points and the Milliman 100 plans lost \$8 billion in funded status.

“While the slight rise in discount rates in March led to a monthly decline in plan liabilities, plan assets fell even further due to poor market performance, which caused the funded status to fall below the 104.8% level seen at the beginning of 2025,” said Zorast Wadia, author of the PFI. “With fresh inflation fears and possible Fed rate cuts looming, plan sponsors will want to consider asset-liability matching strategies to preserve their balance sheet gains from last year.”

Looking forward, under an optimistic forecast with rising interest rates (reaching 5.94% by the end of 2025 and 6.54% by the end of 2026) and asset gains (10.4% annual returns), the funded ratio would climb to 113% by the end of 2025 and 126% by the end of 2026. Under a pessimistic forecast (5.04% discount rate at the end of 2025 and 4.44% by the end of 2026 and 2.4% annual returns), the funded ratio would decline to 97% by the end of 2025 and 88% by the end of 2026.

Read this month's complete [Pension Funding Index](#) or Milliman's full range of [annual Pension Funding Studies](#). To receive regular updates of Milliman's pension funding analysis, contact us at 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](https://www.milliman.com).

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