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FOR IMMEDIATE RELEASE

**Press Release**

## **Milliman analysis: Corporate pension funding improves in June to highest level since October 2022**

### **Milliman 100 PFI plans close second quarter at 105.1% funded after strong market returns**

SEATTLE – JULY 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.

During June, robust monthly returns of 2.63% were offset by a 19-basis-point decrease in discount rates to nudge the PFI funded ratio up from 104.9% at the end of May to 105.1% as of June 30. While small, this improvement marked the third straight month of funding gains and a significant increase from the 103.6% funded ratio seen at the start of 2025. Milliman PFI plan assets rose to \$1.281 trillion during the month, from \$1.254 trillion at the end of May, while the projected benefit obligation increased from \$1.195 trillion to \$1.219 trillion during the period. Discount rates fell to 5.52% in June, from 5.71% in May and 5.59% at the beginning of the year.

“The second quarter of 2025 was a win-win for pensions from both sides of the balance sheet, as market gains of 3.42% drove up plan assets while modest discount rate increases of 2 basis points reduced plan liabilities and resulted in the highest funded ratio since October 2022,” said Zorast Wadia, author of the PFI. “However, if discount rates decline in the second half of the year, plan sponsors will need to be ever more focused on preserving funded status gains and employing prudent asset-liability management.”

Looking forward, under an optimistic forecast with rising interest rates (reaching 5.82% by the end of 2025 and 6.42% by the end of 2026) and asset gains (10.53% annual returns), the funded ratio would climb to 111% by the end of 2025 and 125% by the end of 2026. Under a pessimistic forecast (5.22% discount rate at the end of 2025 and 4.62% by the end of 2026 and 2.53% annual returns), the funded ratio would decline to 101% by the end of 2025 and 92% 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](mailto: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://milliman.com). ###