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FOR IMMEDIATE RELEASE

Press Release

Milliman analysis: Corporate pension funded ratio sees year's largest monthly drop during October

Milliman PFI funded ratio slips to 112.4% as falling discount rates outweigh market gains

SEATTLE – NOVEMBER 6, 2026 – 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 October, the Milliman 100 PFI plans posted a 1.43% monthly investment return, which lifted the market value of plan assets by $11 billion, up to $1.274 trillion as of October 31. While these gains exceeded the monthly expected return of 0.53%, they were not enough to offset a 27-basis-point drop in the discount rate, which fell to 6.20% during the period. Plan liabilities rose by $30 billion in October while the PFI funded status declined by $19 billion. The funded ratio slipped from 114.5% as of September 30 to 112.4% as of October 31.

"October's large drop in discount rates significantly increased PFI plan liabilities and eroded the funded status surplus, but strong investment performance helped to offset the full extent of the funding decline," said Zorast Wadia, author of the Milliman PFI. "Corporate pension plans are still enjoying record surplus levels, but as markets continue to react to midterm election results, plan sponsors should take steps now to preserve these gains should further volatility occur before year-end."

Looking ahead, under an optimistic scenario (discount rate reaching 6.30% by the end of 2026, and 10.61% annual returns), the funded ratio is projected to reach 114% by year-end. Under a pessimistic scenario (6.10% discount rate and 2.61% annual returns), the funded ratio could fall to 111% 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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