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FOR IMMEDIATE RELEASE

Press Release

Milliman analysis: Surging discount rates lift corporate pension funded ratio to 114.5% during September

Rate increase of 47 bps offsets year's second-worst monthly return for Milliman PFI plans

SEATTLE – OCTOBER 7, 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.

The funded status of the Milliman 100 PFI plans rose by $19 billion during September after discount rates rose 47 basis points (bps) during the month, up to 6.47%, and shaved $54 billion off plan liabilities. This more than offset disappointing investment returns of -2.21% for the period—the second-worst month of 2026, after the -3.19% returns posted during March. Although the PFI plans lost market value of $35 billion during September, they closed the third quarter 114.5% funded, up from 109.4% at the end of June.

"Despite losing $59 billion in market value during the third quarter, driven by quarterly returns of -2.92%, this performance was more than offset by a $105 billion reduction in plan liabilities, as discount rates rose 86 bps during the period," said Zorast Wadia, PFI author. "Discount rates have not approached current levels since the 6.53% seen in May 2009, and the PFI funded ratio has not reached similar highs in more than 25 years."

Looking ahead, under an optimistic scenario (discount rate reaching 6.62% by the end of 2026, and 10.61% annual returns), the funded ratio is projected to reach 117% by the end of 2026. Under a pessimistic scenario (6.32% discount rate and 2.61% annual returns), the funded ratio could fall to 112% 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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