The Big Banks Pocket More Than 50% of Your Retirement Investments

These percentages might sound small. But when you factor in compounding interest, the management fees on retirement accounts are ENORMOUS. In fact, you end up paying a HUGE percentage of your retirement savings to the bank. How much? Just take a look at the following numbers:

- Let's assume an 8% annual return for all investments over a 30-year period.
- In the first scenario, you invest in gold, where there are ZERO management fees.
- In the second scenario, you invest in a bank-managed retirement account, where the fees range from 2-3%.

If you invested $100,000 in gold, after 30 years you would have…

$1,006,266. Yes, over $1 million in gold.

But if you invested $100,000 in a retirement fund, the fees alone would destroy a huge percentage of your retirement savings. After 30 years you would have…

$574,349 with 2% management fees (the bank takes 43%)

$432,194 with 3% management fees (the bank takes 57%)

For decades the banks & politicians have sold us a bill of goods about socking money away in bank-managed retirement funds. We were promised a lifetime of growth that would set us up comfortably in retirement. But even after years of record Fed stimulus that artificially propped up the stock market and padded retirement accounts, the dirty secret of bank-managed retirement funds is finally coming to light: banks are pocketing a staggering percentage of your retirement investments! In many cases, you are surrendering 50% or more of your retirement savings to the banks for the "privilege" of having them control your money. Fortunately, there's still ONE investment option that allows you to keep 100% of your retirement savings.

Big Corporations Shift the Retirement Burden to Employees

In 1990, 42 percent of employees had a pension — a guarantee by your employer that you got a good percentage of your salary & benefits upon retirement. Then the big corporate executives complained they couldn't afford pensions anymore, so they cut pensions for a huge percentage of employees. Meanwhile, since the late 70s, those same corporate executives increased their compensation 1000% compared to 11% for their employees! (I guess we know where the pension savings went).

In short order, the corporations stopped providing pensions and shifted the burden to employees by setting up market-based retirement plans. Some of these plans, like the 401(k), were originally a corporate tax dodge for high earners and were never intended to apply to the rest of us. But big brokerages & banks saw an opportunity to expand their business, so they promoted these retirement accounts as a win for everyone. In truth, they were only a win for the corporations & banks!

Big Banks Gobble Up Your Gains

Over the past couple of decades, Americans handed over more than $10 trillion of our retirement money to the financial services industry. And the banks gobbled up a huge portion of it for themselves. The average actively-managed fund carries an annual expense of 1.3 percent. Many funds charge a fee of 2 to 3 percent – regardless of whether they earn you any money!

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The numbers don't lie. The big banks easily pocket 50% or more of your retirement savings! In fact, the average American household will pay nearly $155,000 over the course of a lifetime in fees alone. Think about it, do you really want to invest in a system where you put up 100% of the capital, you take 100% of the risk, and you get a paltry 30% of the return? That's quite a steal for the big banks.

Fund Managers Provide No Added Value

So if the banks are taking such enormous percentages of your retirement savings, are they bringing you any value in return? Well, the banks would love you to believe that their expert financial management is making you a bundle. But guess what? All the scientific evidence shows that mutual funds underperform the stock market!

Year after year, in bull and bear markets, actively-managed mutual funds fail to beat index funds. So the banks are taking a huge chunk of your retirement savings and providing no value in return! And even "lower-cost" index funds end up costing you a QUARTER of your retirement savings – not so "low-cost" after all.

The Only Zero-Fee Retirement Account

So the facts are clear: retirement plans were not created for OUR benefit; they were created for the benefit of BANKS. Meanwhile, for over 5,000 years we've had a retirement vehicle – Gold & Silver – where your gains are truly YOUR gains. No management fees. No hidden bank fees. No fine print.

Gold & silver have outlasted every paper currency on the earth and have greatly outperformed the stock market for decades. What's more, physical gold & silver cannot be instantly seized with the stroke of a keyboard like every financial product the banks have to offer. So convert your savings & retirement into gold & silver now, and keep the greedy banks out of your hard-earned life savings.

Wall Street Journal: Why retirement is a myth

Published: Feb 9, 2016 1:14 p.m. ET

We are locked into a system designed to fail

Even John Bogle, founder and former chief executive of The Vanguard Group, says the retirement options offered by financial institutions are fiction — what he called a "train wreck" in his appearance on Frontline.

IRAs and 401(k)s weren't designed to be retirement plans but savings or thrift plans. And the returns are small: After adjusting for inflation and subtracting taxes and fees, "you're down into a pretty paltry return, 1 or 2%," according to Frontline, which Bogle confirms. "We don't tell people that, you see, in this business," Bogle adds.