

Will You Have Enough Funds for Retirement?

Monthly

Investment

\$500

\$250

\$100

\$50

Current

Age

25

30

35

40

45

50

55

60

25

30

35

40

45

50

55

60

25

30

35

40

45

50

55

60

25

30

35

40

45

50

Total

Contribution

\$240,000

210,000

180,000

150,000

120,000

90,000

60,000

30,000

120,000

105,000

90,000

75,000

60,000

45,000

30,000

15,000

48,000

42,000

36,000

30,000

24,000

18,000

12,000

6,000

24,000

21,000

18,000

15,000

12,000

9,000

We all like to think about retirement — the years when we can hopefully afford to stop working and start traveling, playing golf, relaxing, or spending more time with our loved ones. While you may be dreaming about your golden years, how much thought have you given the funds that you will need to make your retirement dreams a reality? The truth is, those who commit to a disciplined investment strategy today may have a better chance at achieving the retirement of their dreams.

This chart shows the importance of establishing a systematic investment plan, and how starting an investment plan at different life stages can accumulate varying amounts upon reaching age 65. The chart shows three important factors that can influence retirement funds:

- The Power of Compounding. Compounding, simply put, is when an investment generates earnings on reinvested earnings. When this theory is utilized in retirement accounts, where funds may be accumulated for years or even decades, it can be pretty powerful. The longer money is left in the account, the faster it begins to grow, which is a clear indication of the importance of starting a retirement fund as early as possible.
- Dollar-Cost Averaging. By utilizing a systematic investing plan, which includes investing on a regular basis, investors may take advantage of dollar-cost averaging. With dollar-cost averaging, investors buy more shares when the price of an investment has declined, and fewer shares when the price has risen. Over time, the average cost per investment may be lower and investment risk may be reduced by not investing substantial amounts at the wrong time. Keep

in mind that dollar-cost averaging does not assure a profit or protect against a loss in declining markets, and before embracing the dollar-cost averaging	55 60	6,000 3,000	8,235 3,506	9,208 3,698	10,328 3,904
strategy, investors should consider their ability to continue investing of	during per	riods of fallin	g prices.		
Choosing the Right Mix. Investors with a longer investment time horizo investments, which typically offer a higher average return based on the potential to achieve higher than average returns, investors can possibly retirement. Of course, every investor needs to carefully evaluate their to horizon before selecting their specific investments.	ir increase / increase	ed risk. By se their potenti	lecting inves al to accumu	stments that Ilate greater	have the assets for

Planning for a successful retirement can be the key to helping ensure that your retirement goals become a reality. For more information on how you can begin to plan for the retirement of your dreams, contact your Financial Advisor.

The examples provided are hypothetical, assume no withdrawals or taxes, and are based on assumed net average annual total returns of 6%, 8%, and 10%, compounded monthly. The results are not intended to represent the performance of a specific investment. Actual investment results will vary, and you may experience gains or losses when money is withdrawn. Furthermore, your investment account may earn more or less than the examples provided. Taxes will most likely be due upon withdrawal, and, in general, withdrawals from retirement plans prior to age 59 1/2 are subject to a 10% IRS early withdrawal penalty.



Value at Age 65 at a

Total Annual Return of

1,154,588

750,148

478,683

296,474

174,173

92,083

36,983

878,570

577,294

375,074

239,342

148,237

87,086

46,041

18,492

351,428

230,918

150,030

95,737

59,295

34,835

18,417

175,714

115,459

75,015

47,868

29,647

17,417

7,397

\$1,757,141 \$3,188,390

1,914,138

1,139,663

668,945

382,848

208,962

103,276

39,041

1,594,195

957,069

569,831

334,473

191,424

104,481

51,638

19,521

637,678

382,828

227,933

133,789

76,570

41,792

20,655

318,839

191,414

113,966

66,895

38,285

20,896

7,808

6%

715,917

504,769

348,229

232,176

146,136

82,349

35,059

500,362

357,958

252,384

174,115

116,088

73,068

41,175

17,530

200,145

143,183

100,954

69,646

46,435

29,227

16,470

100,072

71,592

50,477

34,823

23,218

14,614

7,012

\$1,000,724