



Banks are
slashing interest
rates – but only
if you ask...

Lifestyle, longevity, liquidity, legacy



Have you noticed the news outlets fighting to post the most dramatic headlines possible on our property markets? Last year it was all about the boom – this year it's all about the bust. Take a 10 year outlook, and the short term hype drifts off into background noise.

In this newsletter we've featured an article on goal setting in those slow-down-years, we all (hopefully) get to enjoy.

And finally, we're having some great wins in getting better deals for our clients who have mortgages, and often all we're having to do is ask the question. If you'd like us to ask the question on yours, please reach out.

All the best,

Brett & the team



Guide to retirement goal setting

Remember the four financial goals for retirement: lifestyle, longevity, liquidity and legacy

LIFESTYLE

Your 'lifestyle expectancy' is a phrase used to describe how well your savings will be able to maintain your lifestyle in retirement – and for how long.

This is a common concern for many retirees. With an unknown timeframe of retirement ahead of you, how do you ensure you'll have enough money for the lifestyle you want, while also making sure your savings don't run out later in life?

To plan for a more consistent lifestyle throughout retirement, it could be worth considering a guaranteed income stream. This can help cover your essential spending needs for the rest of your life, giving you more flexibility to spend more confidently from the beginning of your retirement.

LIQUIDITY

Liquidity describes how easily an investment can be converted into cash. Naturally, many retirees place a high degree of importance on asset liquidity when choosing investments. However, it's also important to ensure that you don't have too much liquidity in your portfolio.

LONGEVITY

No one knows exactly how long they will live and many people underestimate their own life expectancy. The length of time people spend in retirement is steadily increasing. A 65 year old today has a good chance of living into their 90s.

Longevity is an important factor to consider when determining the type of financial investments you choose in retirement. There are retirement products available to provide you with a type of 'longevity insurance' – that is, guaranteed payments that will last for your lifetime, however long that may be.

LEGACY

What you choose to leave behind to loved ones is completely up to you and your individual circumstances. If one of your financial goals is to leave your family a legacy, this should be considered when allocating assets within your retirement plan.

These days there are retirement investments that include options for estate planning certainty. For example, annuities have evolved in recent years so they now include options for some, or all of the value of the amount invested in the annuity to be paid to your loved ones if you pass away within a certain timeframe.

If you would like help with the 4 'L's of retirement goal setting, or to discuss including guaranteed income in your retirement plan, speak to your financial adviser.

Source: Challenger. This article is based on the concept of 'The 4Ls of retirement income planning' by Wade Pfau, Ph.D., CFA Director of Retirement Research, McLean Asset Management Corporation