

# Roadmap to Retirement

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Increasingly, the difference between a retirement filled with exciting adventures and one where people are challenged to pay their bills, is strategic retirement planning and shrewd investing.

Ideally, smart retirement planning should start from your very first pay day. It should also include investments in financial instruments that allow you to steadily grow your retirement income over time.

However, most people simply don't or can't start their retirement planning that early. We understand that. At Sagicor Asset Management (**SAMI**), we have the resources, skills, and financial instruments to help you plan for retirement, **whatever your stage of life**. It starts with a conversation and an awareness of a few key things.

## 1. A Trusted Financial Advisor Is Key to Your Success

After decades of hard work, retirement should be a fun and liberating time. With the right financial advisor, it can be. A financial advisor can help you calculate your retirement income needs; select the right investment options; create a diverse portfolio well suited to your stage of life; and manage risks. At retirement, your main goal is to have your income outlast your expenses until you pass away. Let's help you with that.

## 2. Diverse Portfolios Will Enhance Your Earning Potential

If you don't have an NIS pension plan, a company pension plan or a personal pension fund set up as part of your retirement plan, then it's critical that you save and invest as early and regularly as possible over a long period, for optimal results. Living within your means also goes a long way.

Now, if you do have all, or a combination of the above, that may seem sufficient to cover you during retirement. However, inflation alone can quickly cut into those finances.

A diverse investment portfolio offers the greatest chance to maintain a strong financial position throughout retirement. Mutual Funds are the perfect financial vehicles for funding the lifestyle you want.

There are **three (3)** key benefits that Sagicor Mutual Funds can provide:

1. Opportunity for trained professionals to tend to your investments on your behalf
2. It's a cost-effective way to invest
3. You have layers of diversification to protect your investment.

Putting together a diversified portfolio of stocks and bonds may seem overwhelming to you but that's what our Portfolio Managers are for. Also, investing in a Mutual Fund is a fraction of the cost in comparison to investing as an individual.

### 3. Assess your ability to take on risks

It's critical that you assess your personal risk tolerance **before** you begin investing, to create an investment strategy that will meet your needs. One's personal risk tolerance is ultimately guided by several factors such as: age, investment experience, investment objectives, income, net worth, financial resources, dependents, liquidity needs and time in the market, among others. These factors vary significantly among individuals and will affect how each person invests.

At SAMI, we create investment portfolios with these factors in mind. We carefully choose the right Mutual Funds and other investment instruments that will meet each client's retirement needs while appropriately managing risks.

**For clients in their 20s, Growth Funds** that can take on larger amounts of risk, with the opportunity for higher upside, may be best. People in their 20s are young enough to live through any displacement in the market which tends to be short term or temporary, before a rebound.

**For middle-aged clients**, it's important to remember that everyone's investment story is different. Hypothetically speaking, if someone earns an average salary of a 45-year-old, they should consider a balanced approach to their investing. They are still 20 years from retirement and that is more than enough time to recover from any fall in their investments in a growth-type fund. However, they are exactly that - 20 years from retirement, so they might want to put some of their portfolio in lower risk investments. As a result, a balanced approach is recommended.

**For clients on the home stretch to retirement (10 years or less)**, it is key that they maintain most of their pension portfolio in lower risk assets. They should focus on Income Funds which tend to invest in lower risk assets such as fixed income instruments.

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