

Your Retirement Planning Begins *Today*

The title of this article stresses the importance we should all give to our retirement planning. It's a process we should start as soon as possible. Some key questions we should all ask: When will I be able to retire? What will it take for me to maintain my standard of living when I retire? How can I secure a comfortable retirement income?

Most of us don't even bother to ask these key questions or look into the impact of the answers to our future. Experts agree that retirement income should be at least 80% of the income earned before retirement. For example, if one has an annual income of €40,000 upon retirement, they will need to receive a pension of at least €32,000 annually so as to maintain their standard of living.

This is the first and maybe the most critical step of what we should all aim to have, that is a plan for our retirement: a specific and measurable financial goal. For most of us, calculating the amount of money we will need to retire comes as a complete shock and appears unreachable. Roughly speaking, if one starts investing in a pension plan at the age of 35, they need to save about 20% of their income so that they can retire at the age of 67. No matter how much you are able to save, your professional advisor can help you make the most of your savings.

To develop a comprehensive strategy towards achieving this most important life goal, we need to take into account our available income and assets, the prevailing tax environment, the future liabilities (eg. financing of our children's education), etc. In other words, we will need



a "Lifetime cash flow analysis". This is not an easy task and requires ongoing preparation, maintenance and dynamic adjustment. Retirement is a marathon and not a sprint.

At the end of the day, successfully meeting the goal of a comfortable retirement, requires sensible and disciplined management of the income and the assets of each family. When it comes to managing your assets and developing a personal financial plan, you can certainly go it alone. It is not rocket science. It nevertheless requires many hours of research and learning and ongoing effort that for most is not worth it. Furthermore, various factors, such as the inadequate government-sponsored pensions and the changing financial and tax legislation and regulatory environment governing investments and savings, make the employment of a specialised financial advisor a necessity. A professional advisor with the right knowledge and experience, will assist in the development of a holistic personalised financial plan that will help us achieve our long term financial goals.

The strategies that protect and grow our wealth have to be customised to our personal needs and circumstances. A financial advisor can guide and help you stay focused on the long-term goal, save time and avoid procrastination.

So today should be the first day of your retirement planning. Contacting an expert financial advisor should be the first step towards this goal.

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retirement income
should be at least **80%**
of the income earned
before retirement

If you have any questions regarding our services please do not hesitate to contact us at info@emergowealth.net or +357 22 449122.

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