

<<<< *The* >>>>

15-MINUTE

RETIREMENT

PLAN



FISHER INVESTMENTS UK®

Fisher Investments Europe Limited, trading as **Fisher Investments UK**, is authorised and regulated by the UK Financial Conduct Authority (FCA Number 191609) and is registered in England (Company Number 3850593). Fisher Investments Europe Limited has its registered office at: Level 18, One Canada Square, Canary Wharf, London, E14 5AX, United Kingdom.

Investment management services are provided by Fisher Investments UK's parent company, Fisher Asset Management, LLC, trading as **Fisher Investments**, which is established in the US and regulated by the US Securities and Exchange Commission.

Fisher Investments UK meets with qualified private clients who are interested in learning more about the discretionary investment management services of Fisher Investments. Fisher Investments UK takes time to learn about your personal financial situation and, where deemed suitable, may provide a recommendation for an asset allocation strategy, along with a recommendation for discretionary investment management services provided by Fisher Investments. Clients in the UK typically contract directly with Fisher Investments for such services (unless ties by the client to continental Europe require other arrangements).

Whilst Fisher Investments provides a discretionary investment management service and can and does manage assets within separately managed accounts, for tax efficiency purposes assets of UK clients are typically managed within an open-ended investment company(ies) for which Fisher Investments serves as investment manager. Fisher Investments' discretionary investment management service also includes ongoing investment counselling by a personally assigned Investment Counsellor.

The protections of the UK regulatory regime, including the Financial Services Compensation Scheme (FSCS), apply to the activities of Fisher Investments UK and any UK service providers. However, such protections do not apply in relation to the services Fisher Investments or any non-UK service providers. The assets of UK clients will generally be held with a UK custodian (unless the client requests a non-UK custodian or ties by the client to another jurisdiction require other arrangements). The current FSCS compensation limit in respect of valid claims for investment business is £85,000 per individual. Additional information about the FSCS can be found online at www.fscs.org.uk. In addition, to the extent assets are invested in non-UK funds or ETFs, these protections will not apply.

This document constitutes the general views of Fisher Investments UK and should not be regarded as personalised investment or tax advice or a reflection of client performance. No assurances are made that Fisher Investments UK will continue to hold these views, which may change at any time based on new information, analysis or reconsideration. Nothing herein is intended to be a recommendation or forecast of market conditions. Rather, it is intended to illustrate a point. Current and future markets may differ significantly from those illustrated here. In addition, no assurances are made regarding the accuracy of any assumptions made in any illustrations herein.

Investing in financial markets involves the risk of loss and there is no guarantee that all or any invested capital will be repaid. Past performance neither guarantees nor reliably indicates future performance. The value of investments and the income from them will fluctuate with world financial markets and international currency exchange rates.

Not all past forecasts were, nor future forecasts may be, as accurate as others. There can be no assurances that investment returns from a particular strategy or allocation will exceed returns from another strategy or allocation.

This document has been approved and is being communicated by Fisher Investments UK.



One of the biggest risks an investor faces is running out of money in retirement.

People may work their whole lives to accumulate enough wealth for a comfortable retirement only to find they've come up short. To help minimise this risk, Fisher Investments UK recommends keeping the following key questions in mind when planning your retirement:

- 1. How Long Will Your Portfolio Need to Provide for You?**
- 2. How Can Cash Distributions and Inflation Impact Your Portfolio?**
- 3. How Do You Establish a Primary Investment Objective?**
- 4. What Are Important Trade-Offs You May Need to Make?**



1. How Long Will Your Portfolio Need to Provide for You?

The table below shows total life expectancies based on current age. We believe these projections likely underestimate how long people will actually live given our understanding of ongoing medical advancements. And don't forget these are projections of *average* life expectancy—planning for the average is not sufficient since about half of people in each bracket can be expected to live even longer. Factors such as current health and heredity can also cause individual life expectancies to vary widely.

The bottom line? Your investment time horizon may be much longer than you realise. Prepare to live a long time and make sure you have enough money to maintain your lifestyle.

Average Life Expectancy*

Current Age	Life Expectancy	Current Age	Life Expectancy	Current Age	Life Expectancy	Current Age	Life Expectancy
51	83	61	84	71	86	81	89
52	83	62	84	72	86	82	90
53	83	63	84	73	87	83	90
54	83	64	85	74	87	84	91
55	83	65	85	75	87	85	91
56	83	66	85	76	88	86	92
57	83	67	85	77	88	87	92
58	84	68	85	78	88	88	93
59	84	69	86	79	89	89	94
60	84	70	86	80	89	90	94

*Source: UK Office of National Statistics, as of 16/03/2023. 2018-2022 life tables. Life expectancy rounded to nearest year.

2. How Can Cash Distributions and Inflation Impact Your Portfolio?

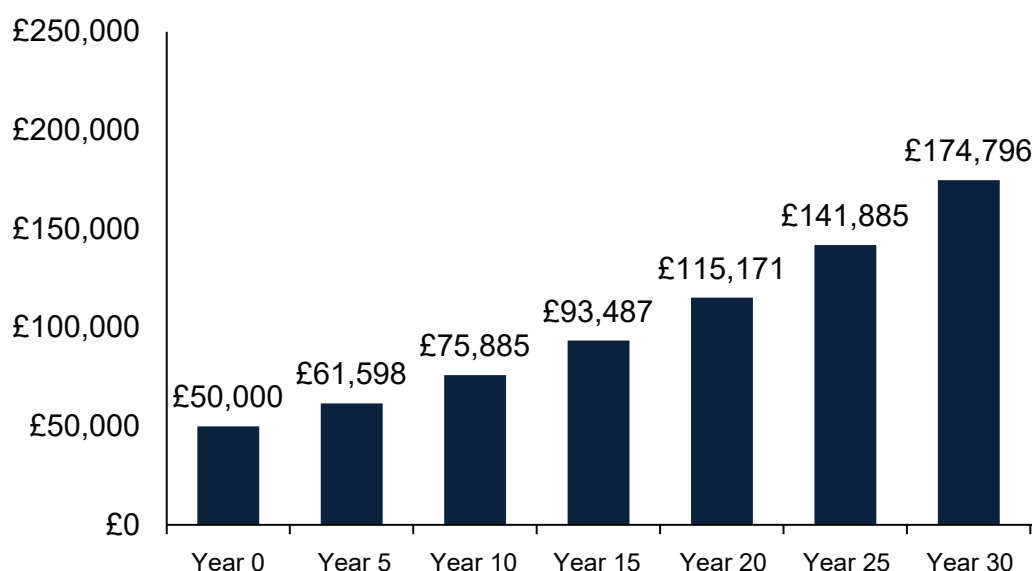
As you anticipate your investment time horizon, it's also critical to understand how withdrawals will impact your portfolio. Like many investors, you may have unrealistic expectations of how much money you'll be able to safely withdraw each year during retirement.

A common—but incorrect—assumption is that since equities have historically delivered just over a 10% annualised average return over the long term,* it must be safe to withdraw 10% a year without drawing down the principal.

Nothing could be further from the truth. Though markets may annualise around 10% over very long periods, returns vary greatly from year to year. Miscalculating withdrawals during market downturns can substantially decrease the probability of maintaining your principal. For example, if your portfolio is down 20% and you take a 10% distribution, you will need about a 39% gain just to get back to the initial value.

Another important portfolio factor to consider is inflation. Inflation is insidious. It decreases purchasing power over time and erodes real savings and investment returns. Many investors fail to appreciate the impact of inflation. Since 1925, inflation has averaged 4% a year.** If that average inflation rate continues in the future, a person who currently requires £50,000 to cover annual living expenses would need approximately £115,000 in 20 years and about £175,000 in 30 years just to maintain the same purchasing power. Similarly, if you placed £500,000 under your mattress today, in 30 years that money would only be worth £140,000 in today's pounds.

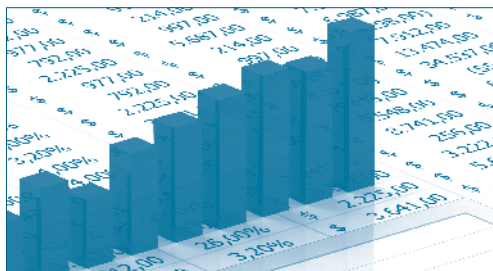
Maintaining Purchasing Power***



*Source: Global Financial Data, as of 16/03/2023. Annualised return of the MSCI World Total Return Index from 31/12/1969 – 31/12/2022 is 10.8%. Presented in pounds.

**Source: Global Financial Data, as of 15/03/2023. United Kingdom Consumer Price Index from 31/12/1925 – 31/12/2022.

*** Estimate based on a 4.26% rate of inflation.



3. How Do You Establish a Primary Investment Objective?

Investment time horizon, cash flow needs, and inflation are all key factors to consider in your retirement planning. Another cornerstone is establishing a primary objective for your portfolio.

A precise way to determine your portfolio’s objective is to define your “growth objective”—the amount of money you plan to have at the end of your portfolio’s investment time horizon. Possible terminal value objectives include:

- **Portfolio growth:** You want to increase the purchasing power of your assets as much as possible over your investment time horizon.
- **Maintaining the value of the portfolio in real terms:** You aim to maintain your present purchasing power at the end of your investment time horizon.
- **Depleting assets:** You have no desire to leave any assets behind.
- **Targeting a specific ending value:** You desire a specific ending value, perhaps to pass to children.

Your primary investment objective helps create a roadmap for retirement. Focusing on your investment objective may also make it easier to stick with your investment strategy during market volatility.



4. What Are Important Trade-Offs You May Need to Make?

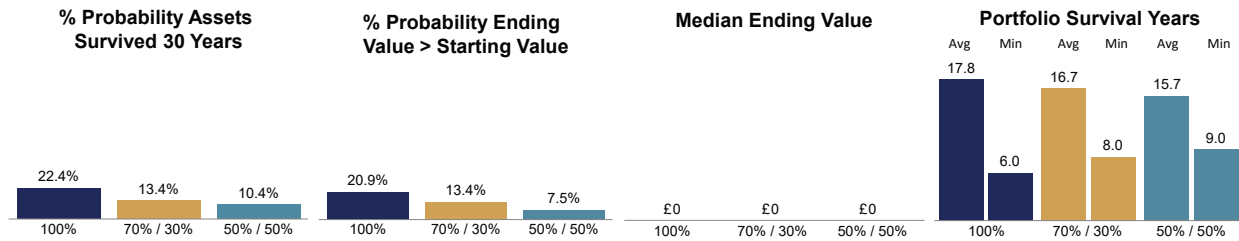
Like many investors, you may plan to draw from your portfolio during retirement. The level of cash flow you require, combined with your growth objective, may require some trade-offs to minimise the risk of running out of money. For example, you may need to increase your exposure to investments with higher returns—and be willing to tolerate the greater volatility associated with them. Or, you may need to lower your withdrawals by decreasing spending during retirement.

Understanding the trade-offs of different strategies is crucial. The following hypothetical scenarios show the impact of four different rates of withdrawal on a £500,000 portfolio under different asset allocations, plus one showing no withdrawals. The four withdrawal rates are: 10%, or £50,000 per annum; 7%, or £35,000 per annum; 5%, or £25,000 per annum; and 3%, or £15,000 per annum. These scenarios analysed 30-year rolling periods based on market returns starting in 1926; all withdrawal amounts are adjusted for inflation to maintain original purchasing power.*

**The analysis uses equity returns based on Global Financial Data, Inc.'s Developed World Return Index. Fixed interest returns based on Global Financial Data, Inc.'s World 10-year Government Bond Index to project the ending value in the future or cash-flow availability. This analysis calculates hypothetical portfolios over 30-year annual rolling periods factoring cash flows and historical market returns. Cash flows are adjusted by 3% annually to account for inflation.*

No assurance can be given that these returns will be achieved. This analysis is for informational purposes only. Investing in equity markets involves risk of loss. Past performance is not a guarantee nor a reliable indicator of future returns.

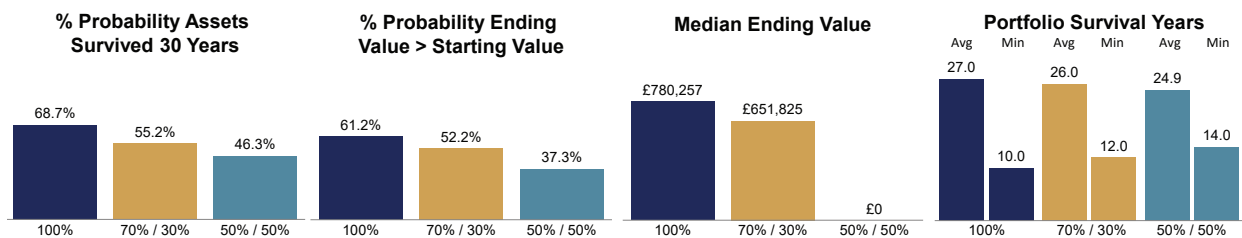
Scenario #1: In this scenario, we simulate the results of an investor taking withdrawals of £50,000 (10%) per annum from a £500,000 portfolio (starting value) over a hypothetical 30-year investing time horizon.



Scenario #1 shows the probability of this portfolio lasting for 30 years—let alone growing—is very low.

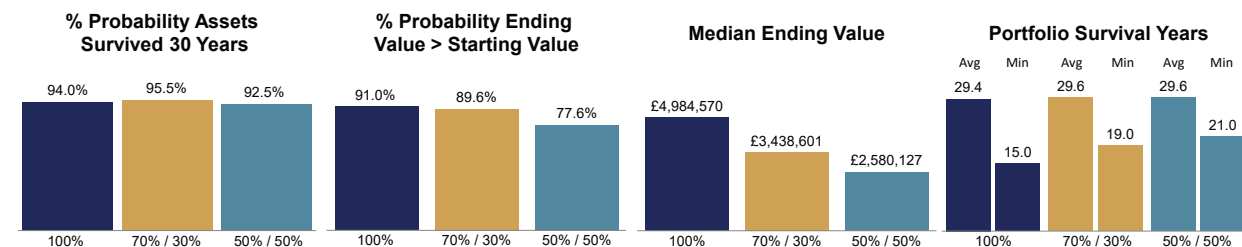
Unfortunately, this is true for all three asset allocations in this example (100% equities, 70% equities/30% fixed interest, and 50% equities/50% fixed interest). Though the portfolio comprising 100% equities produces the highest probability of asset survival, a 22.4% chance of having enough money in retirement is hardly comforting.

Scenario #2: In this scenario, we simulate the results of an investor taking withdrawals of £35,000 (7%) per annum from a £500,000 portfolio over 30 years.



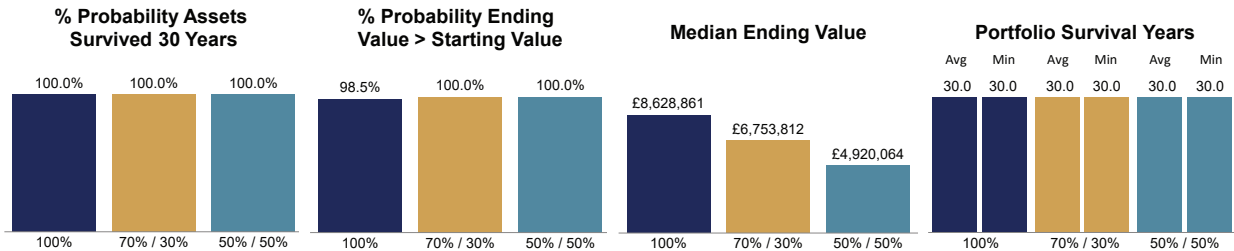
Scenario #2 shows the probability of asset survival and growth improves by reducing withdrawals. But even with 100% equity allocation, the likelihood of having enough money in retirement is still only 68.7%.

Scenario #3: In this scenario, we simulate the results of an investor taking withdrawals of £25,000 (5%) per annum from a £500,000 portfolio over 30 years.



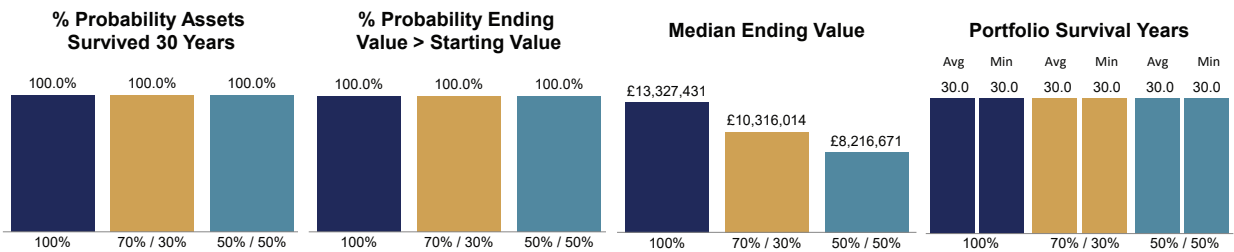
Scenario #3 shows reducing withdrawals to 5% of a portfolio greatly improves the probability of asset survival.

Scenario #4: In this scenario, we simulate the results of an investor taking withdrawals of £15,000 (3%) per annum from a £500,000 portfolio over 30 years.



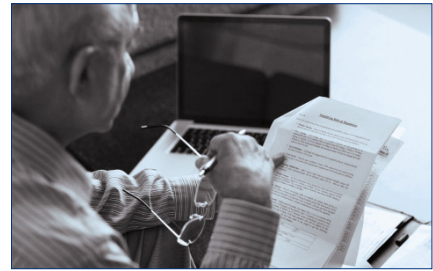
Scenario #4 shows materially better probabilities of both asset survival and growth. Using all three asset allocation scenarios, median ending value is higher than the starting value, though 100% equities shows the best median portfolio growth.

Scenario #5: In this scenario, we simulate the results of an investor taking no withdrawals.



For investors with no annual cash flow needs, probability of asset survival is excellent in all three asset allocation scenarios. However, as many may expect, simulations with higher equity allocations resulted in the highest median portfolio terminal value.

Of course, growth comes with the trade off of greater volatility. Investing in equity markets always involves the risk of loss and past performance neither guarantees nor reliably indicates future performance.



Which scenario and asset allocation make you most comfortable?

There is no one right answer—only the answer that’s right for you. The asset allocation that may be most appropriate for you will depend on your investment objectives, your withdrawal needs and your personal circumstances, whilst factoring in your attitude to risk (i.e. how comfortable you are taking risk (volatility)).

Determining your primary investment objective is one factor that can help you decide which asset allocation may be best for your needs.

Planning Your Retirement With Fisher Investments UK

Still have questions? Not sure what’s best for you? Need help getting started? We’ve helped many investors make an investment plan for retirement. Call Fisher Investments UK at 0800 144 4731 to find out how we can help.

SHARE YOUR FEEDBACK

If you would like to provide us feedback on this brochure, please scan the QR code below for a quick 3-question survey. We greatly appreciate your feedback.



Investing in financial markets involves the risk of loss and there is no guarantee that all or any invested capital will be repaid. Past performance neither guarantees nor reliably indicates future performance. The value of investments and the income from them will fluctuate with world financial markets and international currency exchange rates.

From the Moment You Become a Client, We Put You First.

The global Fisher group of companies is dedicated to helping investors, like you, reach their long-term financial goals and live comfortably in retirement.

Fee Structure Aligned With Your Interests

Our fee structure is transparent and ties our incentives directly to your success. We charge a simple fee based on the assets we manage for you. We do not make money on trading commissions or by selling investment products for a commission.

A Tailored Approach

We create a personalised portfolio tailored to your unique situation: your financial goals, wants, needs, health, family and lifestyle. And on an ongoing basis, we work with you to understand changes in your life or financial situation that may impact your investment plan.

Unparalleled Service

Your dedicated Investment Counsellor is here to serve you, not sell to you. Your Investment Counsellor is well-versed in your financial goals and helps you stay on track with your investment plan. He or she calls you to make sure you understand what we're doing in your portfolio and why. Our educational resources help you understand challenging and oftentimes unpredictable markets.

Investment Experience

We have been working to make the financial services industry a better place for investors since 1979. Today, we apply that experience in helping more than 130,000 clients around the world reach their long-term goals.* Led by founder Ken Fisher, the Investment Policy Committee—the primary decision-makers for your portfolio—has over 150 combined years of industry experience. Moreover, Fisher Investments was recognised in Financial Times' Top 300 US-based Registered Investment Advisers for seven straight years—most recently in 2020. 2020 marked the seventh and final annual FT 300 list, which aimed to recognise the industry's elite investment adviser firms in the United States.**

**As of 31/03/2023. Includes Fisher Investments and subsidiaries.*

***The Financial Times (FT) Top 300 Registered Investment Advisers (RIA) (2014-2020) was an independent listing produced by the Financial Times (July 2020). The FT 300 is based on data gathered from RIA firms, regulatory disclosures, and the FT's independent research. As identified by the FT, the listing reflected each firm's performance in six areas, including assets under management, asset growth, compliance record, years in existence, credentials and accessibility. Neither the RIA firms nor their employees paid a fee to the Financial Times in exchange for inclusion in the FT 300. The listing was discontinued after 2020.*

The contents of this guide should not be construed as tax advice. Please contact your tax professional.

FISHER INVESTMENTS UK[®]

 Fisher Investments Europe Limited Headquarters:
Level 18, One Canada Square, Canary Wharf,
London, E14 5AX

 0800 144 4731

 www.fisherinvestments.co.uk