

# RETIREMENT PLANNING



**AS AN INDIAN EXPATRIATE LIVING AND WORKING ABROAD, IT'S LIKELY THAT YOU ARE ABLE TO EARN MORE THAN YOU WOULD AT HOME. THIS COULD PUT YOU IN A VERY STRONG POSITION WHEN IT COMES TO SECURING YOUR FUTURE AND IN PARTICULAR, WHEN YOU RETIRE.**



Some people will be happy to work well into old age before they retire whilst for others, the idea of an early retirement may be top of their wish list. Whatever your view, by making provisions early on, you can take control of exactly how, when and where you retire.

Planning your retirement - some questions to consider:

- Have you decided when you will retire? - If you want to retire young, then getting a plan in place early is key. Remember every passing payday is a delay that could disrupt your dream of an early retirement.
- How much money are you going to need when you retire? - This is a tricky one to answer as everyone is different. A basic rule of thumb could be around 60% of your final salary to maintain your current lifestyle.
- Have you started saving towards your retirement yet - if not why not? - The longer you leave it, the more you may need to save.
- If you have started saving, when was the last time you reviewed your investments? - Your chosen investment strategy five years ago may not necessarily be appropriate today. You should review your investments on a regular basis.

**Retirement may be decades away for many people, but the reality is that the sooner you start saving for retirement (even a modest amount), the better the chance of having access to funds that will fund a very pleasant retirement.**

## START SAVING NOW FOR YOUR RETIREMENT

A Regular Savings Plan from RL360 can help provide peace of mind that you will achieve your financial goals and enjoy a comfortable retirement.

# THE COST OF DELAYING YOUR RETIREMENT PLANNING

Let's assume you and your partner are aged 35 and want to retire at 60 with a comfortable standard of living. Currently, the average estimated cost of living for a married couple in main Indian cities like Mumbai is **USD 1,268<sup>1</sup>** per month. However, let's assume that you would like to enjoy a slightly higher standard of living with an income of **USD 1,750** per month. By the time you retire in 25 years, assuming yearly inflation of 3%, you will actually need a monthly income closer to **USD 3,664**.

You already have retirement solutions in place however, since moving to the UAE your aspirations have changed and you are concerned that these plans may no longer be sufficient. After talking to your financial adviser they estimate that the shortfall could be as much as 40% (**USD 1,465**) of your target monthly income at retirement. Your adviser recommends investing in an RL360 Regular Savings Plan to help meet the shortfall.

Starting investing today, you would need to save **USD 748\*** each month to build a retirement fund to provide you with the additional income when you retire\*\*. However, if you were to delay investing by five years, you would need to save **USD 1,009\*** each month, and a delay of 10 years, would need you to save **USD 1,462\*** each month.

**Simply put, a delay of 5 years is going to cost you an additional USD 17,760 and a 10 year delay an extra USD 39,120 to achieve the same outcome.**



## 12 REASONS WHY YOU SHOULD CONSIDER A REGULAR SAVINGS PLAN FROM RL360

- 1 Saving starts from **USD 280** per month
- 2 Choose a payment term that fits your savings needs
- 3 7 plan currency options to choose from including US dollar, Euro and British pounds
- 4 100% of each regular contribution allocated for investment
- 5 For larger contributions, allocation is enhanced by up to 2% for each payment received
- 6 New plan owners can receive a starter bonus up to 6 times the first monthly contribution
- 7 Save for 10 years or more and qualify for a loyalty bonus paid at the end of the term
- 8 Access to cash during the payment term subject to product rules
- 9 Fund plan with a credit or debit card with no additional card charges \*\*\*
- 10 Flexibility to amend or suspend regular payments once the establishment period is complete
- 11 Access to over 350 funds - switch between them at any time free of charge
- 12 Track the performance of your plan online 24/7

### ADVICE

This document is a general introduction to the reasons why you might consider a Regular Savings Plan as part of your retirement planning objectives. You should speak to your financial adviser and read the product literature suite before making your decision.

We will only accept business that is introduced via a financial adviser.

**For more information visit: [www.rl360.com/rsp](http://www.rl360.com/rsp)**

\* The monthly payments required assume an annual investment return of 5% after the deduction of all product charges.

\*\* Retirement income paid monthly over 20 years.

\*\*\* American Express payments will be subject to a 1% charge.

<sup>1</sup> <https://www.numbeo.com/cost-of-living/>