



JIGSAW

7 COSTLY MISTAKES

Baby Boomers make that can ruin your Retirement!

Which one would you like to fix?

Table of Contents

03 What Baby Boomers fear most.

04 1. Having no plan.

05 2. Holding too much cash or going to 100% cash.

06 3. Investing as though you're accumulating wealth.

07 4. No plan for meeting capital expenses and income.

08 5. Using the wrong assumptions.

09 6. Investing based on misinformation.

10 7. Not protecting your retirement portfolio from market shocks.



The number one worry on baby boomers minds is running out of money in their retirement years. It doesn't matter the amount they have, their concerns remain the same. Running out of money means adjusting your lifestyle in retirement.

Now, no one wants that...

Many leave the planning of their retirement way too late. Resulting in fewer opportunities closer to retirement to make a significant impact.

The best time to start planning your retirement is yesterday.

Along the journey, we have found common mistakes Baby Boomers make that ruins their retirement dreams.

In this guide, you'll find the **7 most common costly mistakes Baby Boomers** make.

With over 20 years experience helping baby boomers navigate the complex financial landscape, there's one common mistake that causes many to run out of money in retirement.

That's not having a robust written plan founded on facts, not misinformation, wrong advice, hype and spin which the financial services industry has been known for.

A plan that balances living your best life now, while not sacrificing your tomorrow. Knowing how to play the finance game so it benefits you. Using the financial resources you have to live your best life.

Money is the utility to the life you want (the sail to get you to your destination)...

The finance industry for far too long has been focussed on selling products, first and foremost. Not helping clients live their best lives. Sure, it's likely you will need products but it should only be to get you where you want to go. It's the last thing that we address when advising clients.

Over the years we have developed a simple framework to assist Baby Boomers make more money, save money and avoid the costly mistakes many have made.

It's called the **Retire Ready Framework!**

Made up of three simple but powerful steps:

#1 Defining the Retirement Lifestyle you've worked hard to achieve.

#2 Fearless investing for retirement.

#3 Generating income in retirement.

7 costly mistakes Baby Boomers make that can ruin your retirement was created in the hope that you'll learn from them. Review your approach so you can experience your incredible retirement free from stress and anxiety.

It's time to plan your Incredible Retirement!



1

Not having a plan.

“Fail to plan, plan to fail”

I’m sure you’ve heard it before but it is so true when planning your retirement.

Fact: Most spend more time planning their holidays that last 2-4 weeks. Yet most spend less time planning their next 30 years.

Those that fail have one commonality.

They don’t know their numbers, nor have they tested their assumptions. They simply have failed to plan.

Relying on a hope and pray strategy.

Those who experience their incredible retirement have a detailed plan that takes account of all the assumptions that could affect their plan. It’s battle tested.

Their retirement plan is flexible enough to pivot when life changes or when they change direction.

We find those that have a robust plan, have more confidence, less stress and anxiety, sleep better at night knowing they are going to be ok.



2

Holding too much cash or going to 100% cash.

Sure, your emergency account needs to be enough to cover out of the blue expenses.

Yes, you need to have enough cash to cover the next few years' worth of capital expenses.

And, yes you need to have a couple years' worth of income in cash.

There is security in knowing you have enough to cover what life throws at you.

In fact, one of the most important benefits of having a retirement plan is the peace of mind that it provides you.

Holding too much or all of your assets in cash is actually a significant risk to your retirement lifestyle.

Unless you're holding a bucket load of cash, funding your 30 years of retirement will be impossible.

In a perfect world, growth, liquidity & safety - we'd want all of them from our investments.

Spoiler alert! No such investment exists.

You only get two choices. Safety and liquidity from bank assets like term deposits. Growth and liquidity from market investments (local shares, international shares, property and bonds).

Achieving this balance is critical.



3

Investing as though you're accumulating wealth.

In your working years, the focus is on accumulating assets. Investing in growth assets knowing you can ride out any markets shocks.

It's like maintaining a flower garden, it's great to look at but you can't eat the flowers.

Retirement, however is a fundamental lifestyle change.

Requiring the drawdown of assets to fund your lifestyle, which means a fundamental change in approach.

The way you structure your investments in retirement is critical to your success.

Most clients tell us they want to know the funds are there when they require it. They just want to sleep well at night.

No longer is it about generating the greatest return, it's about structuring your investments to get the job done.

Retirement is a time of transitioning into a preservation and distribution phase.

A different type of mindset and different set of tools is required.



4

No plan for meeting capital expenses and income.

The biggest risk faced by retirees is **“sequencing risk” or “return risk”**. The order in which your returns are generated.

In fact, experiencing large negative returns early on in retirement can have a devastating impact on your lifestyle.

Most implement a hope and pray strategy, pick a bunch of investment assets and hope for the best.

Having a systematised bucket strategy will mitigate this risk.

Holding enough cash for emergencies, upcoming capital expenses and a couple years income in reserve.

The mistake many retirees make is they rely too heavily on their investment returns throughout retirement.

Those who retired through 2007 and 2008 not prepared for sequencing risk had to either return to work or dramatically reduce their living expenses.

Don't make the same mistake...



5

Using the wrong assumptions.

A common question we get asked is **“will I have enough?”** or **“will I be ok?”**.

Most have experienced great returns over the last decade. However, these type of returns are unlikely to continue.

Using inflated return assumptions leading into retirement could lead to running out of money or compromising on your lifestyle.

Running your assumptions through different market scenarios will lead to more confidence about your retirement.

On a yearly basis we run our clients retirement assumptions through an optimistic, base and pessimistic investment return assumptions.

Many people underestimate how long they will live. Using government life expectancy tables will not cut it anymore.

There's a 50% chance that one member in relationship will live well into their 90's.

Using the right assumptions will leave you more confident about your retirement and better prepared for life's uncertainties.



6

Investing based on misinformation.

The financial services industry is full of misinformation – promises about beating the market, picking the best shares, guaranteed returns and market timing.

This information can be very tempting to accept if you are looking to invest for your retirement. However, it doesn't stand up to the scrutiny.

Truth is markets are hard to beat consistently. Professional fund managers with all their knowledge struggle to beat investment markets on a consistent basis.

Base your investment decisions on empirical evidence. How investment markets work, long term observations and verifiable facts.

Retirement is no time for investing based on hunches, guesswork, gut feelings or the idea someone has that magic formula to predict the market.

Asset allocation is the driver of investment returns not stock picking. The research is overwhelming.

The key to investing in retirement is appropriate asset allocation (defensive/growth mix), diversification and rebalancing.

Retirement is no time for gambling with your money, leave that for the casino.





7

Not protecting your retirement portfolio from market shocks.

How would your retirement lifestyle be affected if your investments dropped 20%, 30%, 40% or more?

Did you ride it out in “2008” as the global financial crisis decimated investment portfolios?

Do you have a plan for how you are going to handle market shocks in the future?

The investment community has done a great job with its spin and hype, “long term investing” will little accountability for short term losses. “Hang in there, you’ll be ok, it’ll come back.”

While that is true, someone near or in retirement experiencing large losses, this common piece of advice isn’t going to help you!

Diversification, buy and hold, holding expensive assets and passive investing doesn’t cut the mustard in today’s globally connected economies and markets.

A dynamic asset allocation will proactively move money out of harm’s way and into more conservative and less volatile assets as investment valuations and markets change.

Don’t subject your retirement assumptions to misinformation.

You only get one go at it, make it count...





Don't put your best years at risk! Know how you can experience your incredible retirement and how to structure your investments to support your best life!

We know first-hand how confusing and complex planning your retirement can be. You need to earn enough to get the job done, but can't afford to take on too much risk. And you don't want to be talked into investments you don't want, don't need nor understand.

You shouldn't have to worry about compromising your retirement lifestyle. You should enjoy your retirement!

We've been helping people like you for just over 20 years navigate the complex world of retirement which means you make informed, smart decisions about your retirement.

Feel confident about your decisions.

Bad advice and poor investments cost you time and money, and there are still many in our industry trying to sell you a specific product or a one size fits all solution rather than what you actually need.

At Jigsaw Private Wealth we understand everyone's retirement journey is unique. Every retirement plan is customised based on your unique circumstances and what you NEED.

The Jigsaw Retire Ready Framework is simple:

1. We help you clarify the life you want in your twilight years. We listen to your hopes and dreams. Help you bridge the GAP between where you are and where you want to go.

2. Once we know what you want, your current situation and your GAP if one exists, we get to work on the strategies and tactics to optimise your current and future financial position.

Which means investing based on the evidence, a portfolio that balances risk and return.

A plan that fits your unique needs and requirements.

3. Then it's all about rinsing and repeating. The world is constantly changing, rules changing and your life will change. This requires constant monitoring and pivoting to ensure you don't have to worry.

Your personal invitation:

Book your Secure My Retirement Call here and we'll spend 30 mins on the phone helping you figure it all out. You'll end up with your own personal retirement roadmap. You know exactly what your next steps will be to secure and safe guard your incredible retirement!

Bonus: We'll also provide you with special report call **"What is evidence-based investing"**. You can call it the rule book to achieving competitive returns without taking the risks many take and ruin their retirement.

Don't delay, book your **Secure My Retirement Call now**



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