

Making it happen

Insights to
help achieve
your retirement
vision

BLACKROCK®

USR0917U-260486-782127

What is your retirement vision?

WORK



52%

of pre-retirees feel an ideal retirement would include some kind of paid work

TRAVEL



50%

of pre-retirees plan to travel in retirement

ACTIVITY



56%

of pre-retirees plan to pursue hobbies and interests in retirement

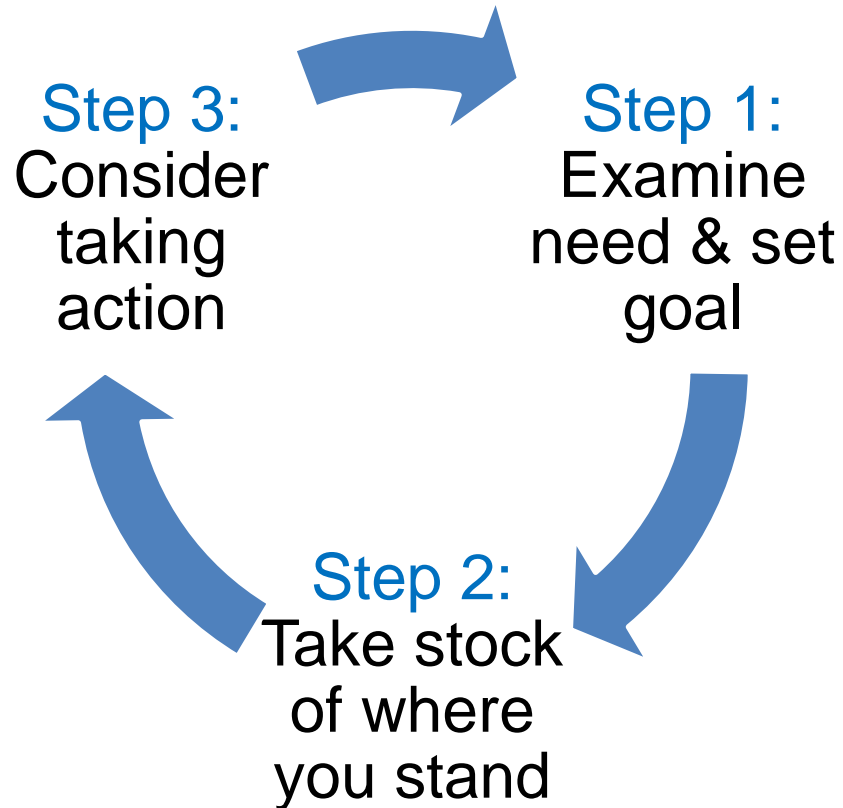
Source: BlackRock Global Investor Pulse, July/August 2015; BlackRock Baby Boomer Study, March 2015.

Are you
ready?



Introducing iRetire®:

A simple 3-step process



Step 1: Examine need & set goal

Determine anticipated expenses



NOT ALL EXPENSES
ARE EQUAL

Determine your Annual
Income Needs

- ▶ On-going Essential (Needs)
- ▶ Discretionary (Wants)
- ▶ Mortgage (Fixed)
- ▶ Special Event / Purchase

Changes in

- ▶ Taxes
- ▶ Healthcare Expenses

See BlackRock
Retirement Expense
Worksheet

WEALTH MANAGEMENT

RETIREMENT EXPENSE WORKSHEET

BLACKROCK®

Many people underestimate their expenses. Use this worksheet as a tool to help you track your retirement goals. It is always a good idea to track your expenses for a few months to make sure your estimates are aligned with your actual expenses.

Notes:

ONGOING EXPENSES

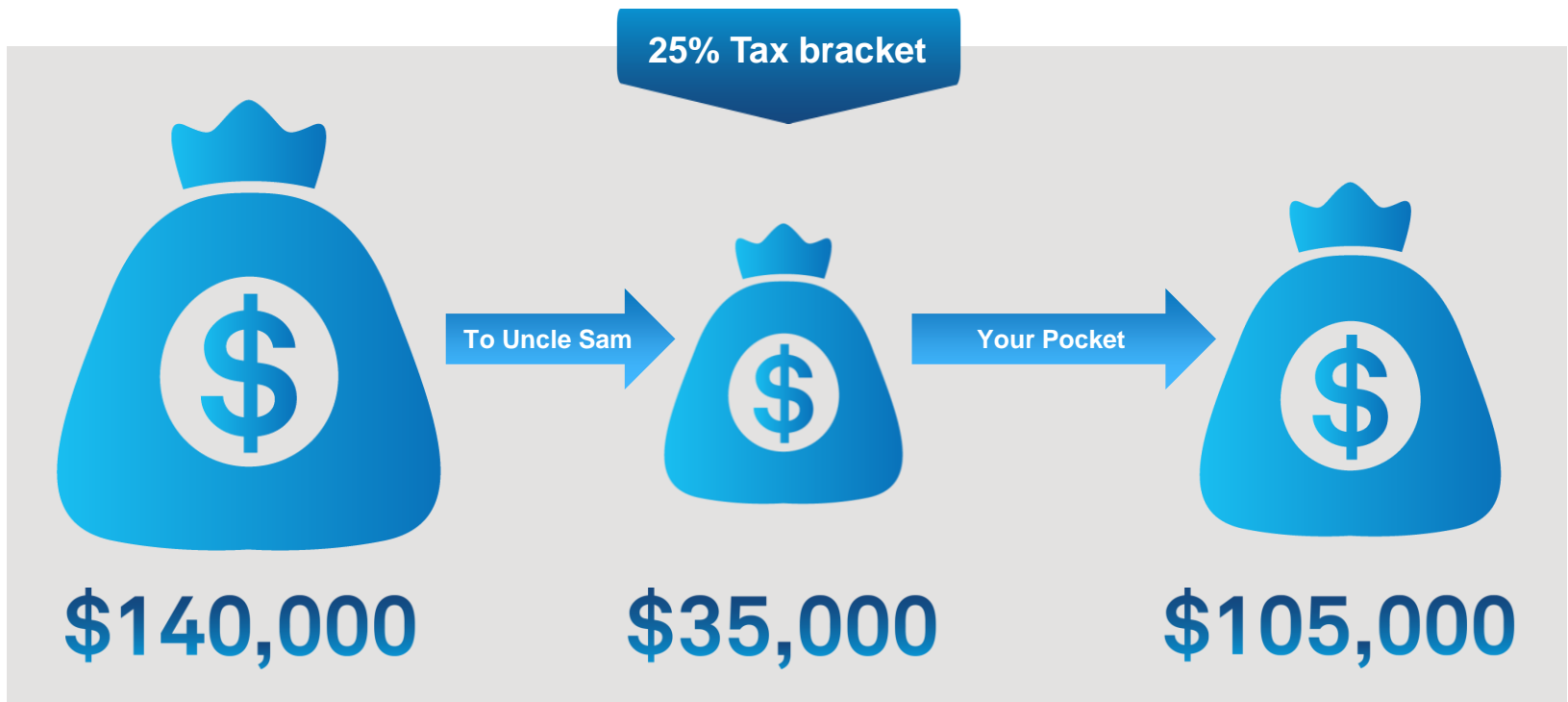
Expense	Monthly	Annual	Expense	Monthly	Annual
Base Retirement Income			Medical Health Insurance		
Food	\$	\$	Health Insurance	\$	\$
Car	\$	\$	Life Insurance	\$	\$
Car	\$	\$	Long Term Care Insurance	\$	\$
WELL-BEING			Long Term Care Insurance	\$	\$
Medical Insurance			Medical Expenses	\$	\$
Medical Insurance	\$	\$	Medical Expenses	\$	\$
Property Taxes	\$	\$	Other	\$	\$
Mortgage	\$	\$	Total	\$	\$
Homeowner's Insurance	\$	\$	Family Care Expenses		
Electricity	\$	\$	Family Care Expenses	\$	\$
Gas	\$	\$	Childcare	\$	\$
Water	\$	\$	Childcare	\$	\$
Internet/Cable Phone	\$	\$	Childcare	\$	\$
Cell Phone	\$	\$	Childcare	\$	\$
Other	\$	\$	Childcare	\$	\$
Total	\$	\$	Total Expenses	\$	\$
Retirement & Long-Term Care Expenses			Retirement & Long-Term Care Expenses		
Retirement	\$	\$	Retirement	\$	\$
Long-Term Care	\$	\$	Long-Term Care	\$	\$
Health Insurance	\$	\$	Health Insurance	\$	\$
Life Insurance	\$	\$	Life Insurance	\$	\$
Long-Term Care Insurance	\$	\$	Long-Term Care Insurance	\$	\$
Medical Expenses	\$	\$	Medical Expenses	\$	\$
Other	\$	\$	Other	\$	\$
Total	\$	\$	Total	\$	\$
Other Expenses (e.g., Taxes, Healthcare)			Other Expenses (e.g., Taxes, Healthcare)		
Taxes	\$	\$	Taxes	\$	\$
Healthcare	\$	\$	Healthcare	\$	\$
Other	\$	\$	Other	\$	\$
Total	\$	\$	Total	\$	\$

ONE-TIME EXPENSES (E.G., WEDDING, COLLEGE TUITION)

Expense	Amount	Expense	Amount
	\$		\$
	\$		\$
Total	\$	Total	\$

Step 1: Examine need & set goal

Don't forget about: Taxes

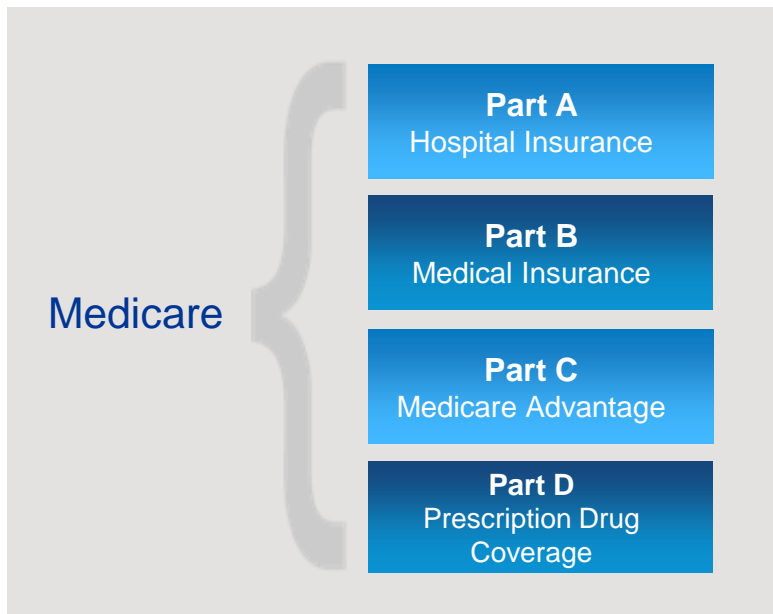


For illustrative purposes only. Assumes all income is subject to ordinary income taxes of 25% upon withdrawal.

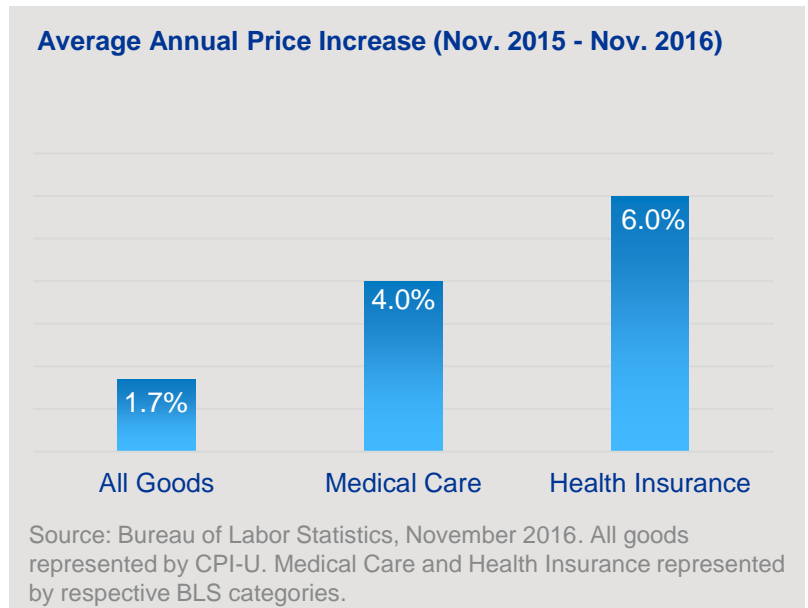
Step 1: Examine need & set goal

Don't forget about: Healthcare

Buying health insurance gets complicated at 65



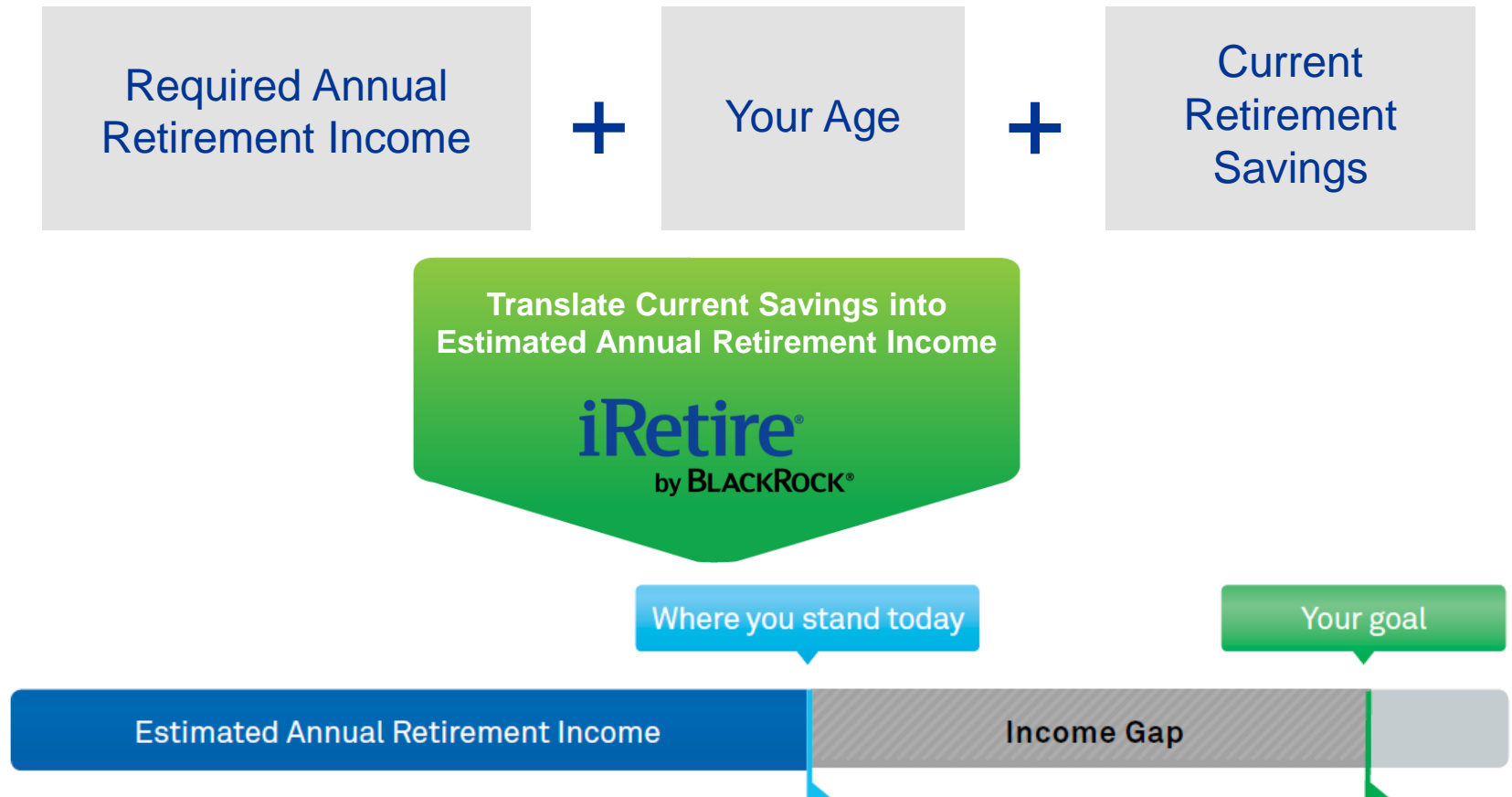
Healthcare costs have increased faster than inflation



Retirees are more likely to say their health care expenses in retirement are higher than expected (47%) rather than lower (13%).*

* Source: Employee Benefit Research Institute Issue Brief, March 2017.

Step 2: Take stock of where you are



For illustrative purposes only.

Step 3: Consider taking action

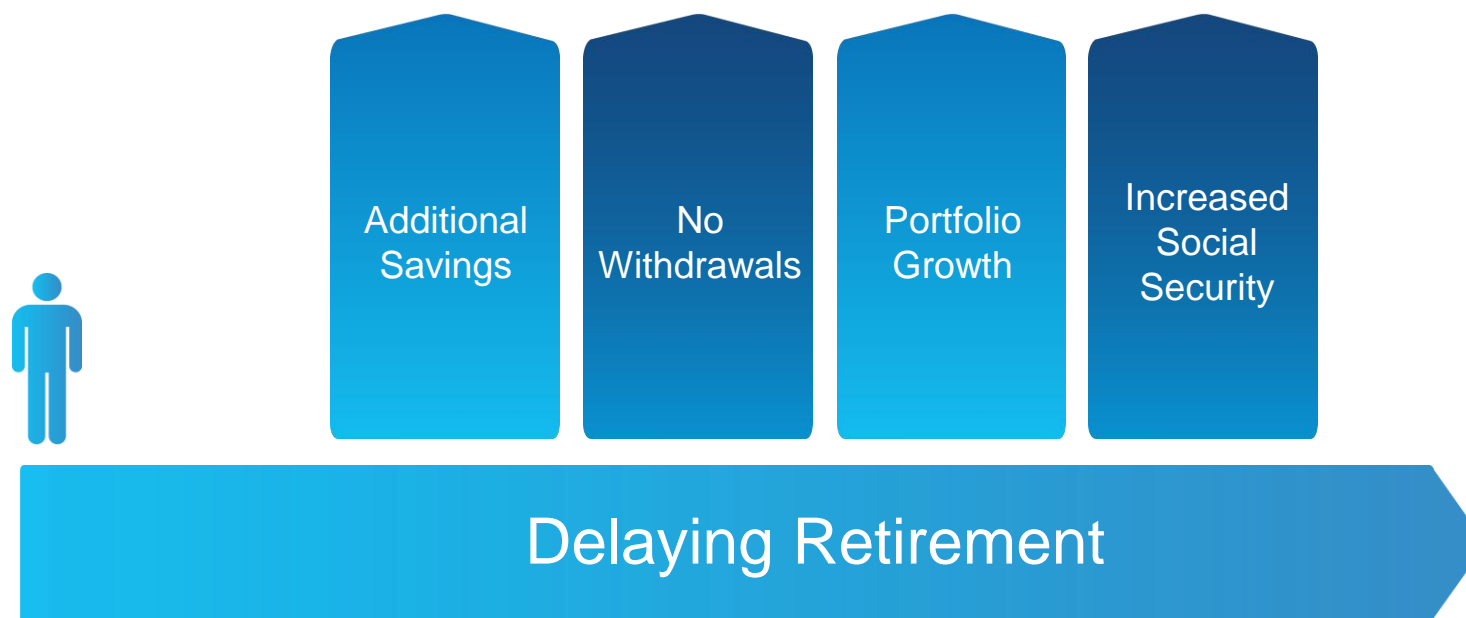
Four levers you could act on





Consider taking action: Retire later

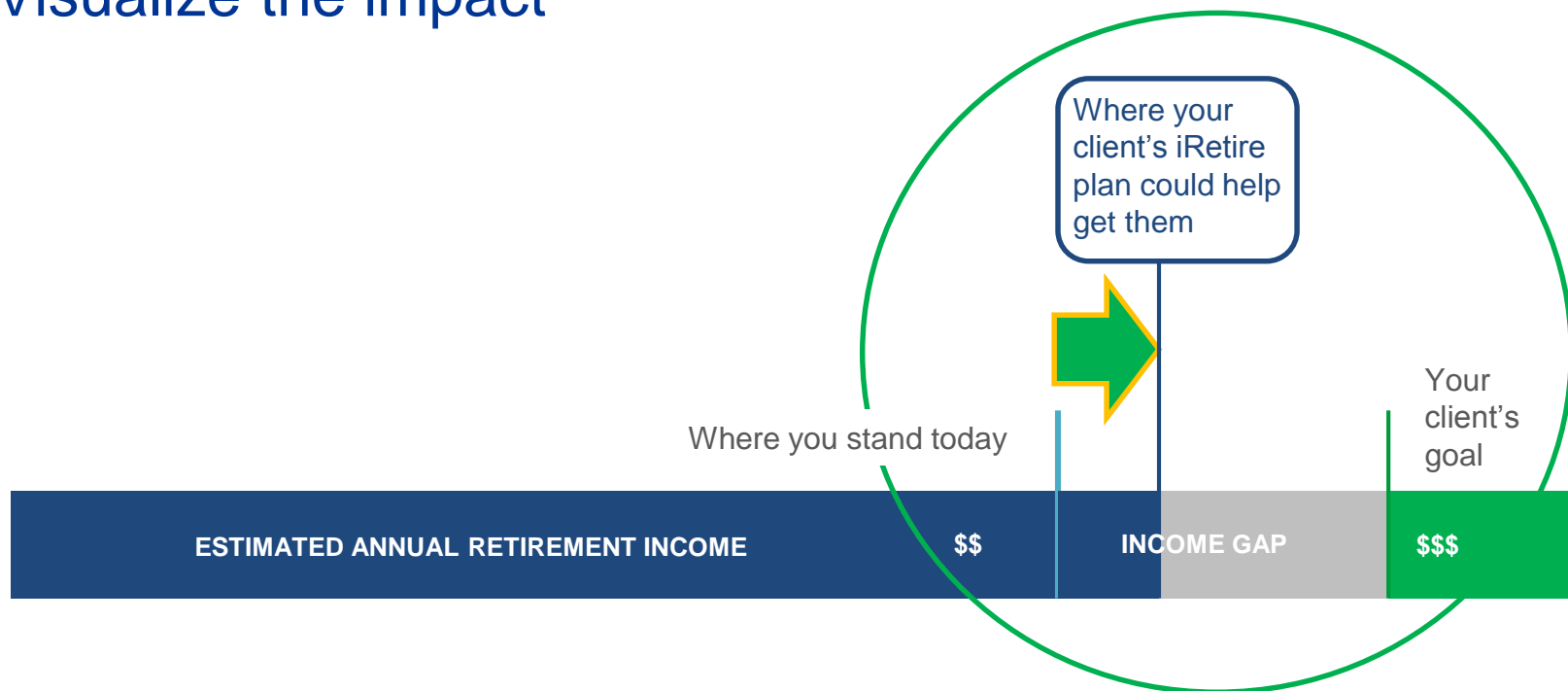
Every year you delay retirement
you have potential for...





Consider taking action: Retire later

Visualize the impact



For illustrative purposes only.

Consider taking action: Retire later

CONTINUE
TO WORK



ENCORE
CAREER



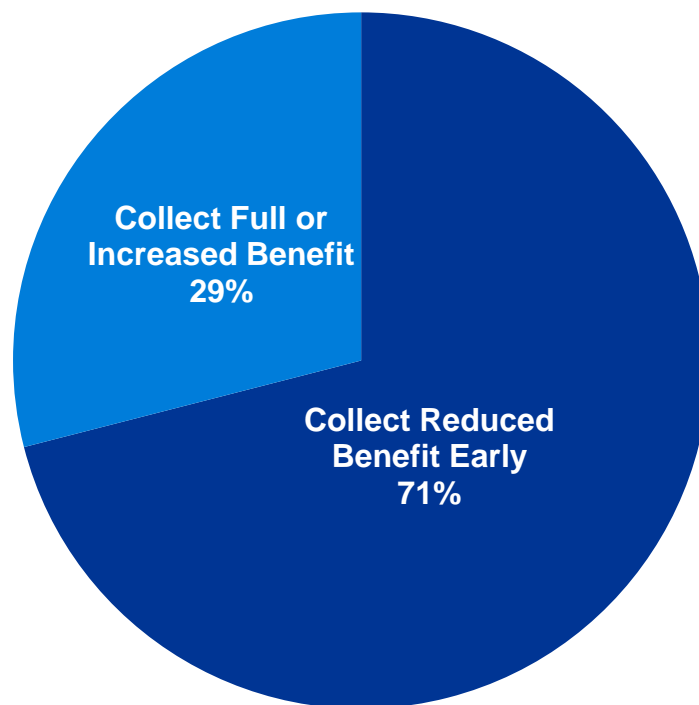
VOLUNTEER WORK



But working longer is a hope, not a reliable strategy



Consider taking action: Optimize other income Factor in Social Security



Source: Social Security Administration's Annual Statistical Supplement, 2016



Consider taking action: Optimize other income Maximize your collection strategy

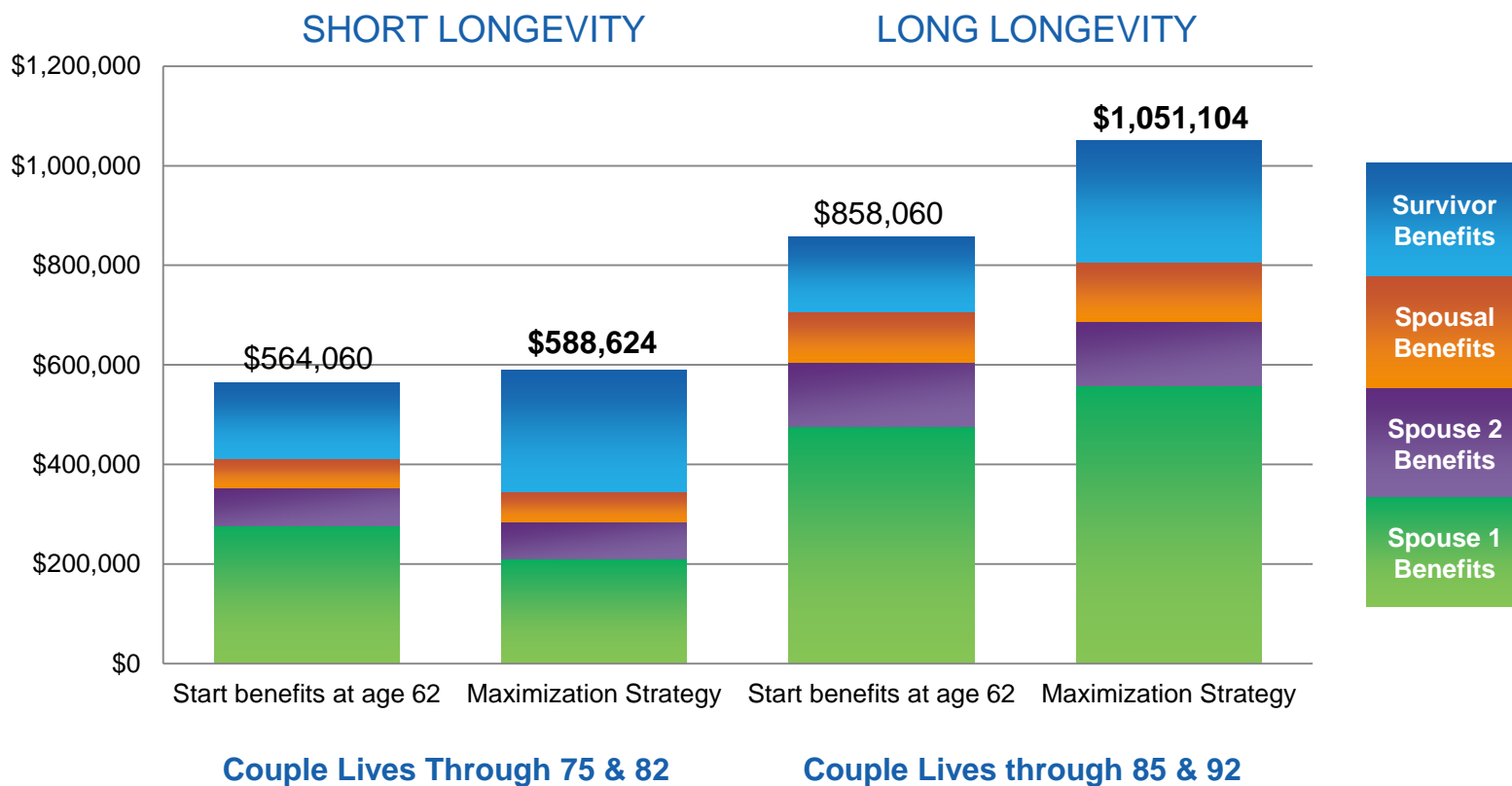


For illustrative purposes only.

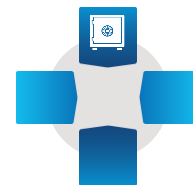


Consider taking action: Optimize other income

Could be \$200K difference



Source: BlackRock Social Security Estimator. Assumes couple is same age and has a FRA of 66.

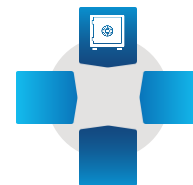


Consider taking action: Save more

Take advantage of catchup opportunities

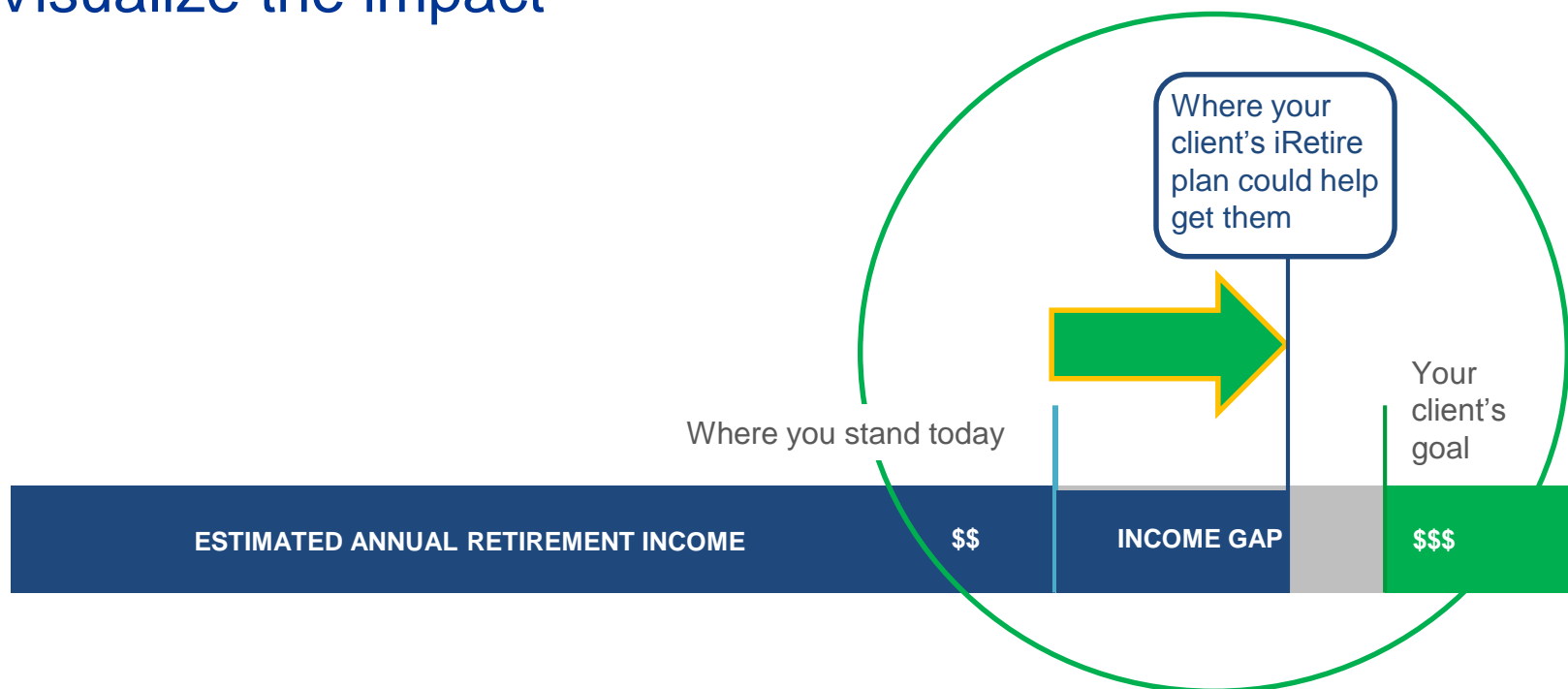
	CONTRIBUTIONS			
	MAX ANNUAL CONTRIBUTION		ANNUAL CATCH-UP CONTRIBUTION IF OVER 50	TOTAL ANNUAL CONTRIBUTION IF OVER 50
IRA	\$5,500	+	\$1,000	= \$6,500
401(k)	\$18,000	+	\$6,000	= \$24,000
BOTH	\$23,500	+	\$7,000	= \$30,500

Source: Internal Revenue Service, August 2017.



Consider taking action: Save more

Visualize the impact



For illustrative purposes only.



Consider taking action: Invest differently

Consider inflation vs. the market

Inflation

Inflation can eat
away at your
retirement

Market

Market moves can
reduce the value of
portfolios that are
not hedged against
downside risk

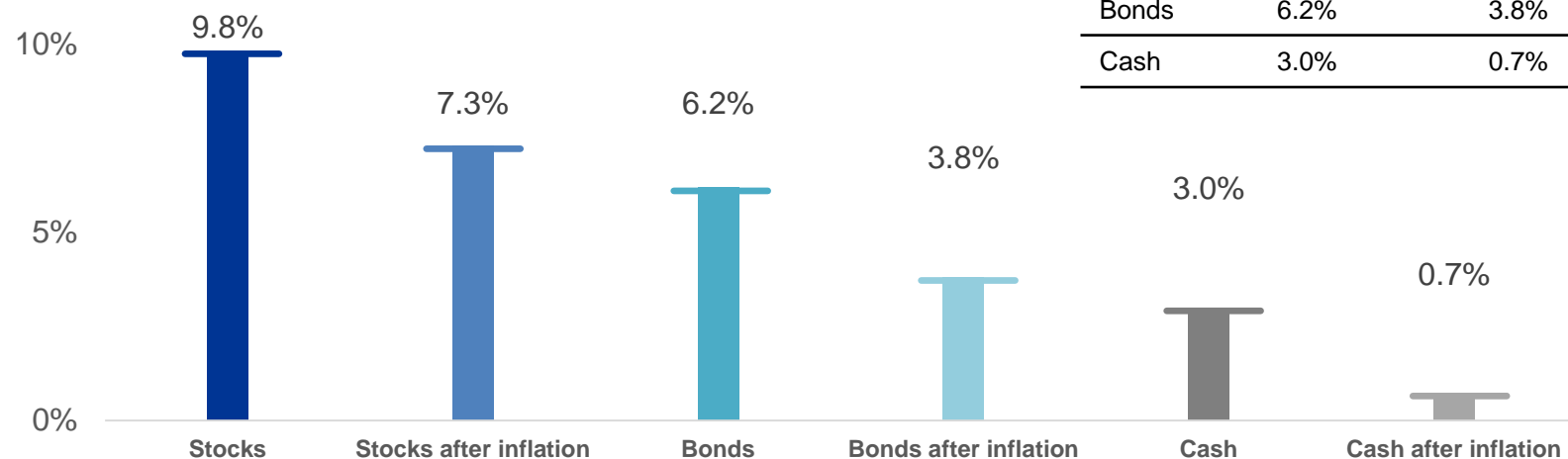


Consider taking action: Invest differently

Inflation impact on returns

Inflation has dramatically reduced investment returns

Average annual total returns over the last 25 years (1992-2016)



Years with negative returns		
	Before inflation	After inflation
Stocks	9.8%	7.3%
Bonds	6.2%	3.8%
Cash	3.0%	0.7%

Sources: BlackRock; Informa Investment Solutions. Past performance is no guarantee of future results. This is for illustrative purposes only and is not indicative of any investment. It is not possible to invest directly in an index. Assumes reinvestment of income and no transaction costs or taxes. Stocks are represented by the S&P 500 Index, an unmanaged index that consists of the common stocks of 500 large-capitalization companies, within various industrial sectors, most of which are listed on the New York Stock Exchange. Bonds are represented by the Bloomberg Barclays US Aggregate Bond Index, an unmanaged market-weighted index that consists of investment-grade corporate bonds (rated BBB or better), mortgages and US Treasury and government agency issues with at least one year to maturity. Cash is represented by the ML US Treasury Bill 3 Month Index, an unmanaged index based on the value of a 3-month Treasury Bill assumed to be purchased at the beginning of the month and rolled into another single issue at the end of the month. US Treasury Securities are direct obligations of the US Government and are backed by the "full faith and credit" of the US Government if held to maturity. Inflation is represented by the Consumer Price Index..



Consider taking action: Invest differently

Since 2000, a perfect market for “S&P envy”

Years	S&P 500	Diversified Portfolio
2000-2002	-37.6%	-13.28%
2003-2007	+82.9%	+57.8%
2008	-37.00%	-20.10%
2009-2016	+194.5%	+120.1%
Total Return	+111.7%	+140.6%



“I lost money”



“I didn’t make as much”



“I lost money”



“I didn’t make as much”



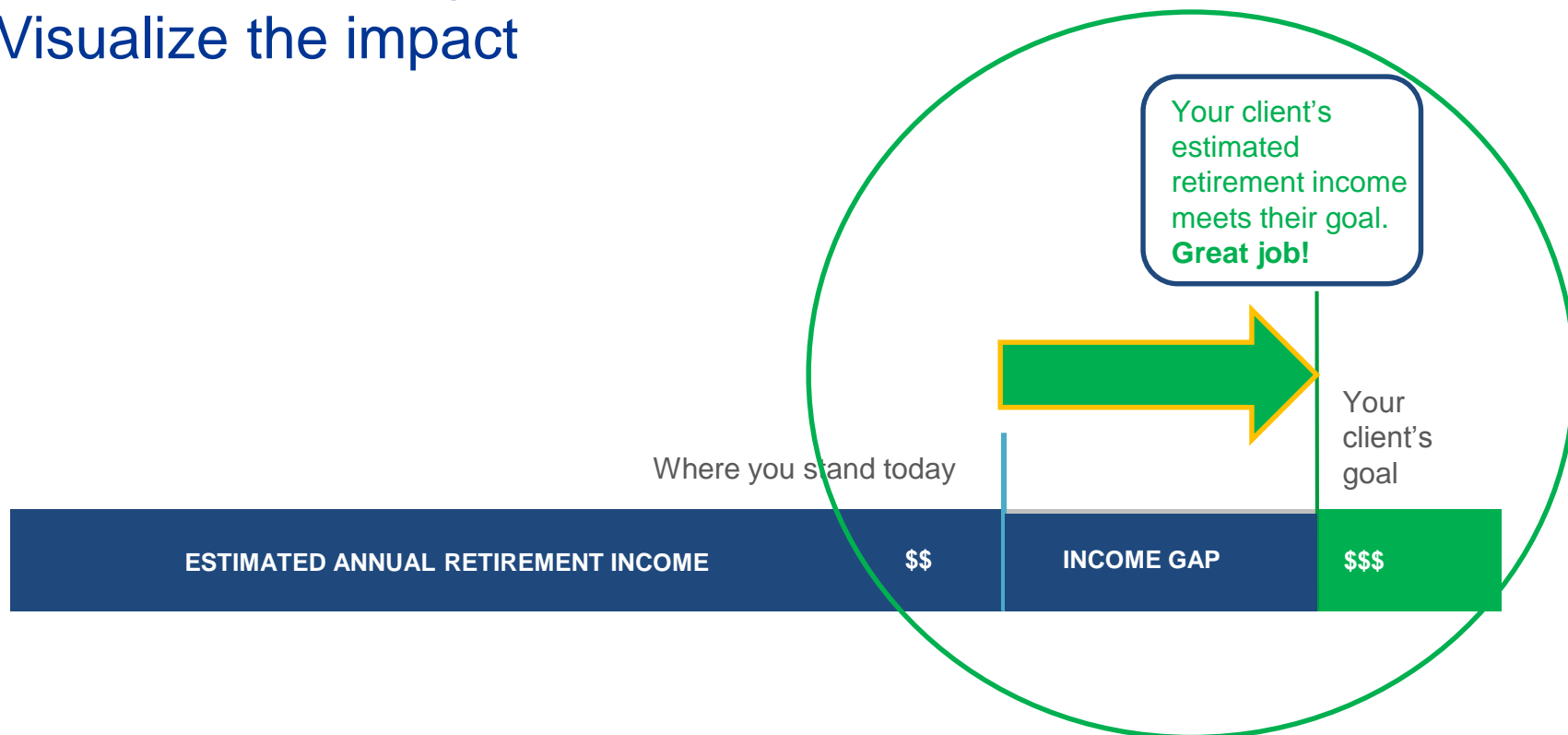
“Diversification wins even when it feels like its losing”

Source: Morningstar as of 12/31/16. Past performance does not guarantee or indicate future results. Diversified Portfolio is represented by 60% S&P 500 and 40% in the Bloomberg Barclays US Aggregate Bond Index. Index performance is for illustrative purposes only. You can not invest directly in the index.



Consider taking action: Invest differently

Visualize the impact



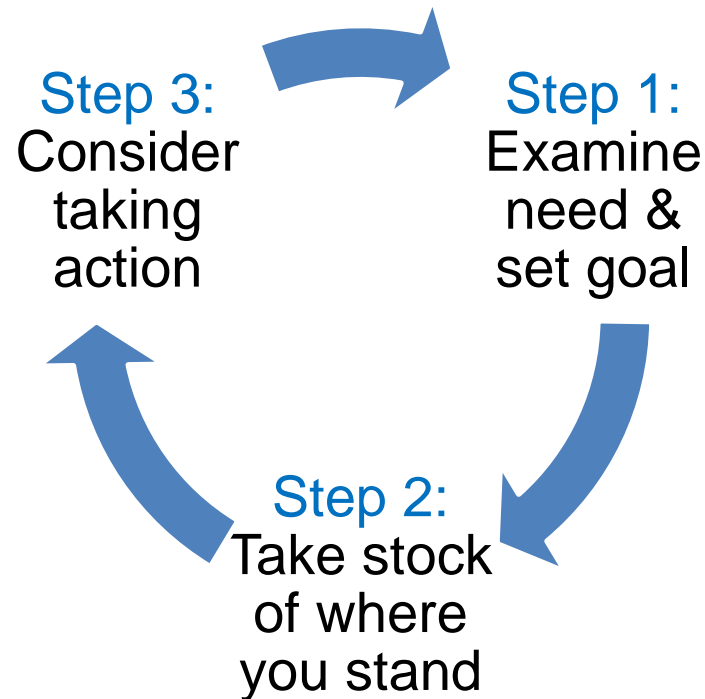
For illustrative purposes only.

iRetire[®]

by BLACKROCK[®]

A simple 3-step process

To help you prepare and achieve your retirement goals



iRetire[®]

by BLACKROCK[®]

Let's set up a meeting to review your iRetire output.


What to bring:

- Social Security statements
- Investment account statements
- Retirement account statements

What you'll take away:
Insight regarding your retirement picture.



The image shows a document titled "Information checklist" with the iRetire by BLACKROCK logo at the top. Below the title is a brief instruction: "This form will help you prepare to hold a valuable conversation with your advisor using iRetire about how to address the factors that may impact the timing of your retirement. Please help improve your decision, focusing the results between risk, retirement flow, income needs and spending." There are two main sections: "Retirement flow" and "Income needs and spending". Each section has a list of items to bring to the meeting, with checkboxes for "Already done" and "Not done". The items include Social Security statements, Investment account statements, Retirement account statements, and various forms like W-2s, 1099s, and 401(k) forms. At the bottom, there is a section for "Advisor contact information" with fields for name, phone, and email.



The image shows a document titled "RETIREMENT EXPENSE WORKSHEET" with the BLACKROCK logo at the top. It is a detailed spreadsheet for tracking retirement expenses. The worksheet is divided into several sections: "Retirement Expenses", "Investment Expenses", "Other Expenses", and "Total". Each section has columns for "Expense", "Frequency", "Amount", and "Notes". The "Retirement Expenses" section includes items like Social Security, Pension, and Annuity. The "Investment Expenses" section includes items like Management Fees, Brokerage Fees, and Transaction Fees. The "Other Expenses" section includes items like Healthcare, Long-Term Care, and Miscellaneous. The "Total" section provides a summary of all expenses. At the bottom, there is a section for "Advisor contact information" with fields for name, phone, and email.

Simple resources to help you prepare

BLACKROCK®

Important Notes

IMPORTANT: The projections or other information generated by the iRetire tool (the "tool") regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time.

Any information contained in or generated by the tool should not be construed as or relied upon as investment advice, research or a recommendation by BlackRock Investments, LLC or any of its affiliates (collectively, "BlackRock") regarding the use or suitability of any particular asset allocation, fund or overall investment strategy. The tool is designed to be used in consultation with an advisor and should not be relied on as a primary basis for an investment decision. Only an investor and his or her advisor know enough about the investor's circumstances to make an informed investment decision.

The tool does not guarantee future income or protect against loss of principal. There can be no assurance that an investment strategy based on the tool will be successful.

Investing involves risk, including possible loss of principal.

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Important Notes (continued)

About the Survey: One of the largest global surveys ever conducted, the BlackRock Global Investor Pulse survey interviewed 28,000 respondents, in 18 nations. In North America: the US and Canada; in Europe, France, Germany, Italy, the Netherlands, Spain, Sweden, and the UK; In Latin America, Brazil, Chile, Colombia, and Mexico; in Asia, China, Hong Kong, Japan, Singapore and Taiwan. The US sample included 4,000 respondents. Respondents were ages 25-74 and either the primary or shared decision maker for savings and investments in the household. No income or asset qualifications were used in selecting the survey's participants. Executed with the support of TNS, an independent research company, the survey took place online from January to February 2017. For the global sample the margin of error for the US sample is is +/-1.55 percent.

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