

Looking Ahead to Retirement: Making and Working a Plan – Video Transcript

What happens if, after careful analysis, it looks like you're going to fall short of reaching your retirement goal?

There are four options to address a retirement shortfall:

1. You can postpone the goal – by planning to retire later
2. You can reduce the goal – by planning to retire with less
3. You can allocate additional funds – by saving more or earmarking additional assets
4. You can be more aggressive in your investment approach – by analyzing and adjusting your portfolio

Once you have made your desired changes, it's important to monitor and make adjustments as needed.

Adjustments may be needed for external reasons, such as significant changes in the rate of inflation or extreme market conditions, or for internal reasons, such as needing to relocate or retire earlier.

Investment performance should be monitored against expectations and benchmarks.

Portfolios should be reviewed and rebalanced on a pre-planned regular basis.

Consider reducing risk for at least a portion of your portfolio as retirement nears.

By making necessary and sufficient changes now, monitoring and managing your portfolio going forward, and rebalancing as appropriate, you can be on your way toward building the retirement you desire.

All investing involves risk, including the possible loss of principal, and there is no guarantee that any investment strategy will be successful.

Rebalancing involves selling some investments in order to buy others. Selling investments in a taxable account could result in a tax liability.

There is no guarantee that working with a financial professional will improve investment results.