Finance excel

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Retirement Plan Grade May 12th My Retirement Plan I believe I will retire when I am no longer in a healthy condition to serve society to the fullest. I believe that retirement should occur when I reach around sixty-years old. After considering the information in the Actuarial life cycle, I believe may live up to eighty years old (Cassidy, 2006). As such, as I plan for my living expenses during retirement, I will need to save enough money for twenty years, without work while maintaining the standard of living I had grew accustomed. Since I started work early, I will start to save when I am twenty years. The real rate of return is 7%, the years of retirement are twenty, and living expenses need are $36, 000. The savings needed by the time I retire at 60 years old will be $513, 537. Calculating the present value after the retirement at 4 percent, I will remain with $37, 800 by my 80th year.

It is well known that the future value of money will change as a result of inflation. If the rate of inflation remains at a standard 3% throughout my lifetime, the future value of my savings of $513, 537 over a period of forty years until the time I retire will be $1, 675, 177. 10. When I consider the 3% inflation rate, the annual amount of money I will require to save will become $44, 809. 38 annually. As such I will need to save about $3, 734. 12 very month.

Having an initial $50, 000 in my account would provide me with an alternative source of money during my retirement. In fact, putting the money in compound interest will enable me to acquire $748722. 89 by the time I retire.