

# What is the best investment strategy for retirement

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**33% bonds, 33% real estate, 33% stocks  
annual withdrawals at 4% of total**

Year	Total \$ portfolio value	\$ Withdraw	\$ Withdraw Inflation adjusted to 2000
2000	\$2,000,000.00	\$80,000.00	\$77,384.41
2001	\$2,076,190.47	\$83,047.62	\$78,121.54
2002	\$2,049,540.33	\$81,981.61	\$75,911.77
2003	\$1,931,179.38	\$77,247.18	\$69,940.23
2004	\$2,361,565.61	\$94,462.62	\$83,294.93
2005	\$2,667,962.89	\$106,718.52	\$91,016.43
2006	\$2,728,751.73	\$109,150.07	\$90,177.48
2007	\$3,149,567.90	\$125,982.72	\$101,200.06
2008	\$2,885,881.23	\$115,435.25	\$89,298.38
2009	\$2,125,236.58	\$85,009.46	\$65,999.20
2010	\$2,491,067.20	\$99,642.69	\$76,111.83
2011	\$2,765,471.61	\$110,618.86	\$81,907.68
2012	\$2,809,699.03	\$112,387.96	\$81,529.93
2013	\$3,040,830.88	\$121,633.24	\$86,967.04
2014	\$3,263,825.20	\$130,553.01	\$91,856.55
2015	\$3,666,712.79	\$146,668.51	\$103,071.67
2016	\$3,522,215.08	\$140,888.60	\$97,777.82
2017	\$3,746,592.30	\$149,863.69	\$101,837.47
2018	\$3,971,201.89	\$158,848.08	\$105,371.59
2019	\$3,564,377.37	\$142,575.09	\$92,459.61
2020	\$4,227,522.65	\$169,100.91	\$108,361.21

## Retirement Portfolio Total Portfolio Approach

33% bonds, 33% real estate, 33% stocks

- Set up the portfolio:
  - Select a basket of stocks to track the S & P 500 index
  - Select a mix of high return corporate bonds, grade BAA or similar
  - Select a diversified mix of REITs
- Every Year
  - Withdraw 4% of total portfolio value per annum
  - Rebalance portfolio to 33% stocks, 33% bonds, 33% real estate

## How much do you need to retire in comfort ?

- An income of 80% of your last salary
- A portfolio total of 20 x your last salary
- Withdraw 4% of total portfolio / year

