

Financial Crisis, The Economy, Opportunities, Diversification and Our Perspectives

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1

2007 - 2008: Two Years of Global Financial Turbulence

- **August 10, 2007** - Fed says it will provide extra liquidity to keep credit markets functioning orderly.
- **August 17** - Fed cuts the discount rate by half a percentage point to 5.75% from 6.25%. Allows financing for as long as 30 days.
- **September 18** - Fed cuts the federal funds rate to 4.75%. Cuts the discount rate to 5.25%.
- **October 31** - Fed cuts the federal funds rate to 4.5%. Cuts the discount rate to 5%.
- **December 11** - Fed cuts the federal funds rate to 4.25%. Cuts the discount rate to 4.75%.
- **December 12** - Fed creates a special facility to auction funds to banks against a wide range of collateral. Sets up special lines to provide needed dollars to foreign central banks.
- **January 11, 2008** - Bank of America pays \$4 billion for Countrywide Financial after the mortgage lender goes bust when risky loans to shaky borrowers fail.
- **January 22** - Fed cuts the federal funds rate to 3.5%, discount rate to 4%.
- **January 30** - Fed cuts the federal funds rate to 3% and the discount rate to 3.5%.

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2007 - 2008: Two Years of Global Financial Turbulence

- **February 17** - Britain's Northern Rock is nationalized after funding crisis.
- **March 16/17** - Bear Stearns sold to U.S. investment bank JP Morgan Chase for about \$2 a share.
- **March 16** - Fed grants \$29 billion loan to facilitate the sale of failing investment bank Bear Stearns to JPMorgan Chase. Announces special programs for financing to investment banks.
- **March 18** - Fed cuts the federal funds rate to 2.25%; discount rate to 2.5%.
- **April 30** - Fed cuts federal funds rate to 2%; discount rate to 2.25%.
- **May 2** - Fed increases swap arrangements with foreign central banks. Expands collateral that can be used at its term lending facility auction.
- **July 13** - U.S. Treasury and Federal Reserve effectively nationalizes mortgage finance companies Fannie Mae and Freddie Mac in a bid to support U.S. housing market.
- **July 14** - Fed approves nationwide rules governing all mortgage lenders. Rules bar unfair, abusive or deceptive home mortgage lending practices.
- **Sept 14/15** - Investment bank Lehman Brothers Holdings Inc files for bankruptcy protection; rival Merrill Lynch & Co Inc agrees to be taken over by Bank of America Corp

2007 - 2008: Two Years of Global Financial Turbulence

- **September 21** - Goldman Sachs Group Inc and Morgan Stanley become bank holding companies regulated by the Fed.
- **September 22** - Nomura Holdings Inc says it will buy Lehman's franchise in Asia Pacific and acquires Lehman's business in Europe. Mitsubishi UFJ Financial agrees to buy up to 20 percent of Morgan Stanley for \$8.5 billion.
- **September 23** - AIG signs "definitive" agreement for up to \$85 billion in borrowings from the Fed, the main part of a rescue plan that will see it take a 79.9 percent stake in the insurer.

2007 - 2008: Two Years of Global Financial Turbulence

- **September 16** - Fed announces plan for \$85 billion loan to American International Group Inc in return for 80 percent stake in the insurer; Britain's Barclays buys parts of Lehman's North American assets for \$1.75 billion.
- **September 17** - British bank Lloyds TSB Group Plc agrees to rescue rival HBOS Plc, scooping up Britain's biggest home loan lender in an all-share deal.
- **September 18** - The UK Financial Services Authority imposes a temporary ban on short-selling financial stocks, a move echoed in other centers.
- **September 19** - U.S. Treasury Secretary Henry Paulson calls for the government to spend hundreds of billions of dollars to take toxic mortgage assets off the books of financial companies to restore financial stability. News of the bailout plan helps world stock markets soar.
- **September 20** - Details emerge of a \$700 billion plan to bail out firms burdened with bad mortgage debt. A U.S. bankruptcy judge approves a revised version of Barclays purchase of the core U.S. business of Lehman.

2007 - 2008: Two Years of Global Financial Turbulence

- **September 24** - Warren Buffett's Berkshire Hathaway Inc says it will buy up to 9 percent of Goldman, which also announced plans to sell \$2.5 billion in common stock.
 - CNN says the FBI is investigating Fannie Mae, Freddie Mac, Lehman Brothers and AIG and their senior executives for potential mortgage fraud.
- **September 25** - Washington Mutual is closed by the U.S. government in the largest failure of a U.S. bank. Its banking assets are sold to JPMorgan Chase & Co for \$1.9 billion.
- **September 29** - Britain announces the nationalization of mortgage lender Bradford & Bingley Plc. Spain's Banco Santander SA will buy its retail deposits and branch network. Banking and insurance company Fortis NV is bailed out by Belgian, Dutch and Luxembourg governments to the tune of 11.2 billion Euros (\$16.4 billion). Wachovia Corp agrees to sell most of its assets to Citigroup Inc in a deal brokered by regulators.
 - U.S. House of Representatives rejects the \$700 billion rescue plan for the financial industry. Dow Jones posts its largest point decline ever while the S&P 500 has its worst day since 1987 with an 8.8 percent drop.
- **September 30** - World stocks fall to near three-year lows but fears of a major meltdown ease as European losses are muted.
 - EU regulators endorse a 6.4 billion euro public bailout of Belgian-French financial services group Dexia SA.
 - Ireland pledges more than double its GDP to guarantee all bank deposits.

2007 - 2008: Two Years of Global Financial Turbulence

- **October 1** - U.S. Senate passed a revamped U.S. financial rescue plan aimed at restoring global financial stability, sending the measure to the U.S. House of Representatives for a vote expected on Friday.
- **October 3** - US House passes the Senate bill and President Bush signs the bailout into law. Dow swings from 350 points up to 150 points down.
- **October 3-10** - Dow, S&P 500 and other major indices experience the worst one week loss in terms of percentage and point drop ever closing down at levels last seen in summer 2003. For the week, the major indices were off 18%.
- **October 12** - Bush and the world's financial leaders staged repeated displays of unity to combat an unfolding credit crisis, hoping to calm investors whose panic has spread despite bold and accelerating government action.

2007 - 2008: Two Years of Global Financial Turbulence

- **October 15** – S&P 500 down 9.1% for the biggest one day drop since 1987.
- **October 13 – 20** – Dow see biggest weekly percentage gain since 2003
- **October 20** – Fed Chairman Ben Bernanke addresses Congressional Budget Committee and stresses need for new stimulus package but does not provide details as to amounts or targeted areas

How Did We Get Here? – Excerpts From NY Times 09/30/1999 Article

- In a move that could help increase home ownership..., the Fannie Mae Corporation is easing the credit requirements on loans that it will purchase from banks and other lenders.
- Fannie Mae officials stress that the new mortgages will be extended to all potential borrowers who can qualify for a mortgage

Who Do We Blame or Does It Even Matter Now?

- Wall Street for the complicated securities developed and sold to unsuspecting and uneducated investors as well as to the large institutional investors
- The American consumer for spending more than they make
- The US government, Republicans and Democrats alike, for not being able to balance a budget for decades and to fight and point fingers while trying to salvage the situation
- The mortgage brokers for putting under and non-qualifying homebuyers into a mortgage to fit their desired payment vs. a home to fit their income level
- The American homebuyer for buying a home they know they could not afford and hoping a raise, a job change, an interest rate drop or real estate appreciation would make it better.

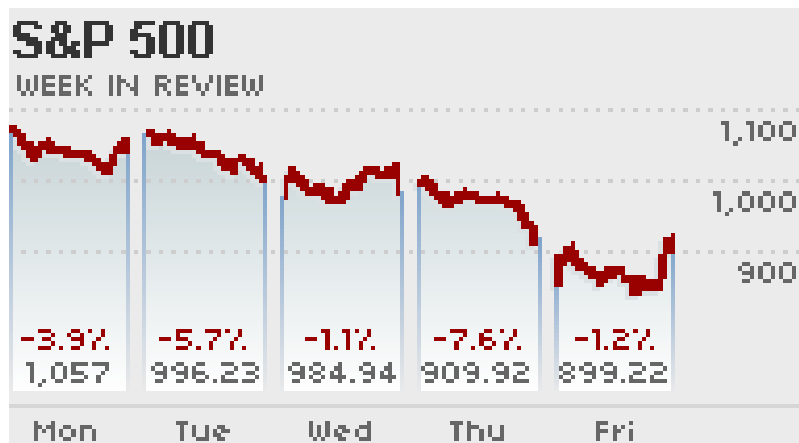
Where Exactly Are We?

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11

October 6 – 10, 2008



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MARKET DATA IS DELAYED BY AT LEAST 20 MIN.

12

Payroll Employment: September

Monthly change, thousands of workers



Source: Bureau of Labor Statistics.

Total nonfarm payroll employment fell by 159,000 in September, marking its largest decrease since March 2003 and its ninth consecutive decrease. For the year, private payrolls are down 969,000 while government payrolls have risen by 209,000.

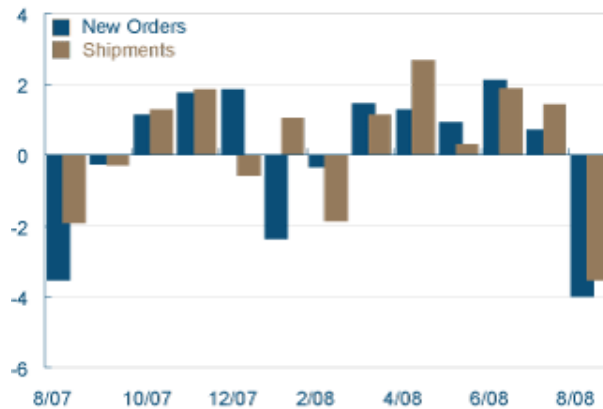
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13

Factory Orders

Percent change



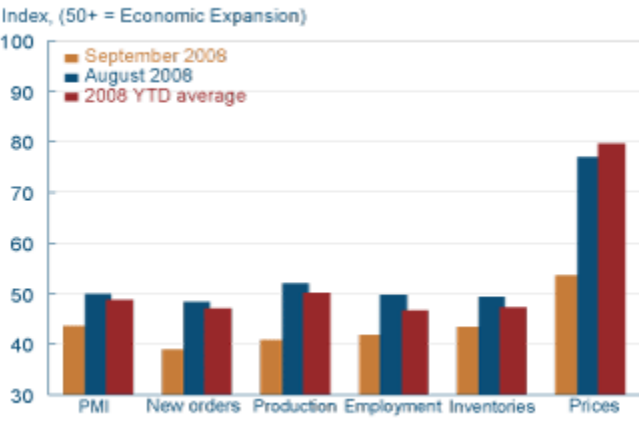
Source: Census Bureau.

New orders for manufactured goods fell 4.0 percent in August, Shipments for all manufacturing dropped by 3.5 percent in August, its largest decrease since January 2007. Inventories continued to rise in August and are up 8.6 percent over the past year.

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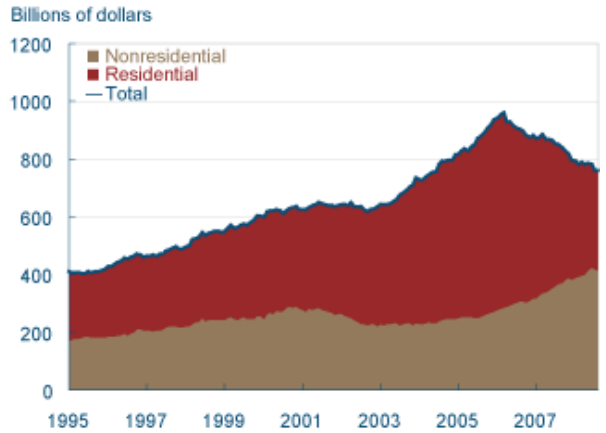
September ISM Index



Source: Institute for Supply Management.

The ISM manufacturing index plummeted 6.4 points to an index value of 43.5 in September, its lowest value since October 2001, and solidly below the ISM's expansion threshold of 50. The production index indicated contraction in September for the first time in five months, falling 11.3 points to 40.8. The employment index fell to 41.8 in September, its lowest value since April 2003. While not mentioned explicitly in the report, it is reasonable to assume somewhat of a negative bias due to Hurricane's Gustav and Ike.

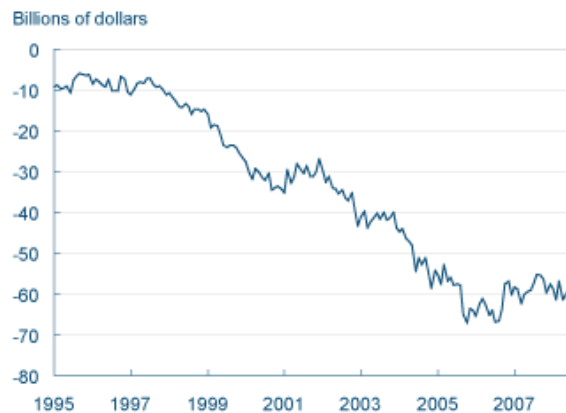
Private Construction Spending



Source: Census Bureau.

Total construction spending was virtually flat in August after falling 1.4 percent in July. On the private side, total construction spending fell 0.3 percent over the month following July's downwardly revised 2.4 percent drop. Private residential construction increased 0.3 percent in August, the first such increase since March 2007 and only the second increase since the series peaked in March 2006. Private nonresidential construction spending declined for the second consecutive month in August, dropping 0.8 percent on top of July's downwardly revised 1.1 percent decline.

Trade Balance



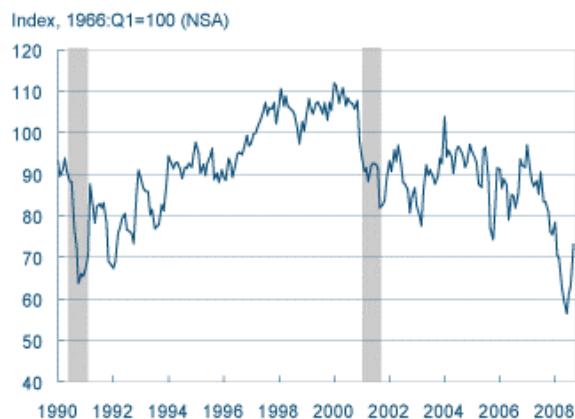
The nominal trade deficit increased \$3.4 billion in July to \$62.2 billion—its highest level since March 2007. OIL!

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17

Consumer Sentiment

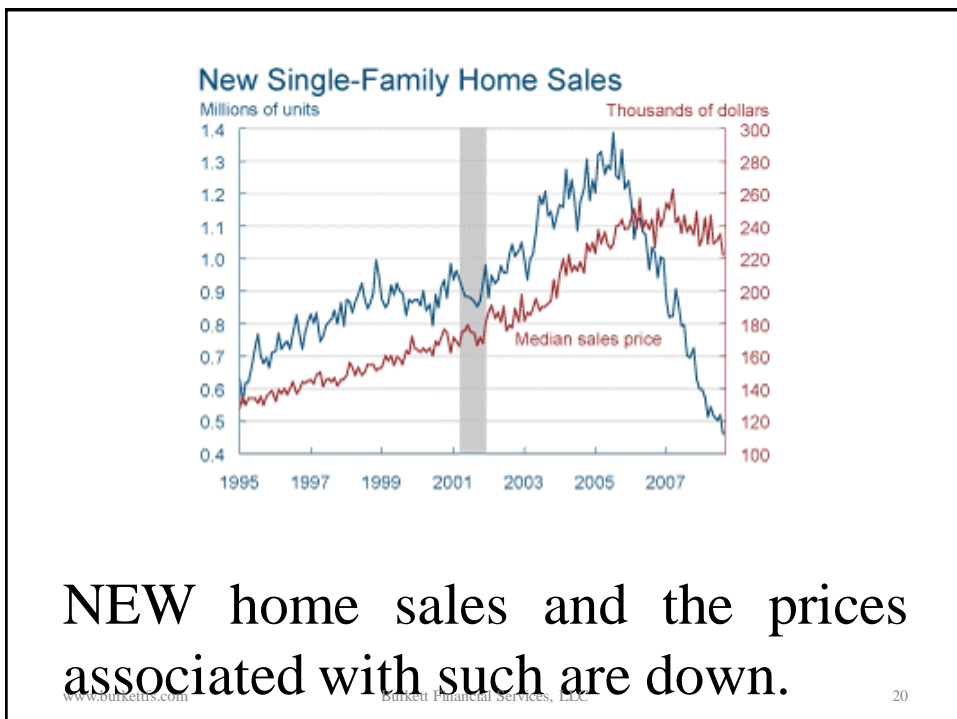
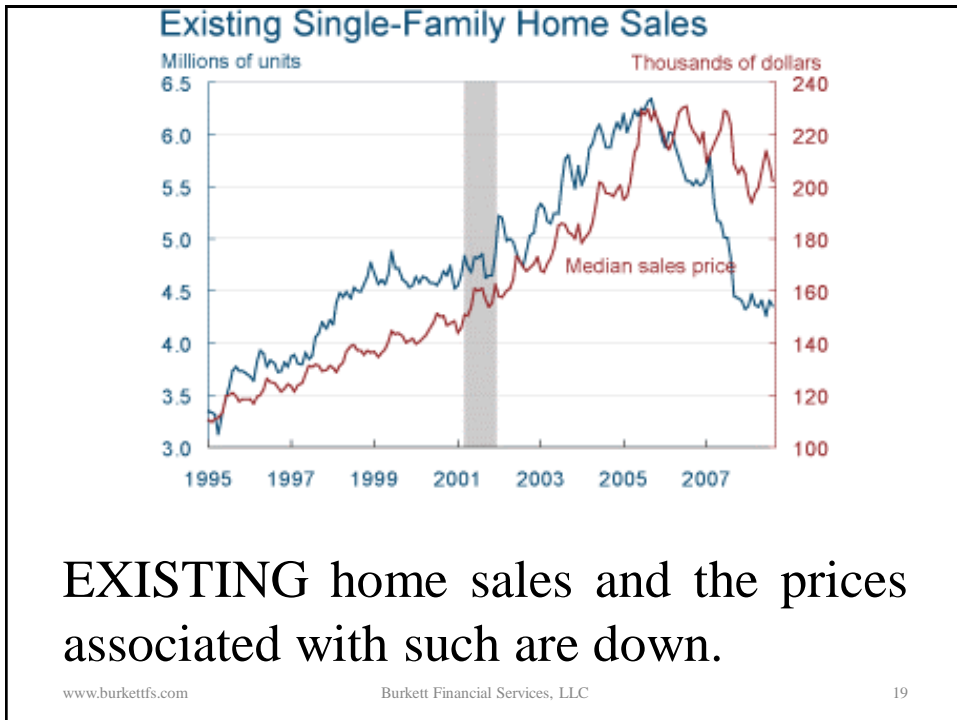


Consumer sentiment, as measured by the University of Michigan's Survey of Consumers, was revised down to 70.3 from 73.1, according to the final estimate for September. Expectations are much lower for October numbers.

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18



Any Plans To Attack This?

- Pre-August – Ostrich approach! Officials stuck their heads in the sand and pretended it did not exist.
- August – September – Virtual potpourri of single-pronged attacks by various US officials and departments, AIG bailout, Fannie and Freddie bailouts, Lehman – no bailout
- September – An effort by Congress...but of course political bickering won and consumers lost and then they tried again

Any Plans To Attack This?

- September – Political leaders and central bankers around the world work on various solutions
- October – A coordinated effort by central bankers to lower rates worldwide to provide cash to the system

Any Plans To Attack This?

- October – G7 emergency meeting
- World leaders, warning of a global economic downturn, pledged to work together to find solutions to what is unfolding as the worst financial crisis since the Great Depression.
- President Bush and finance officials from the Group of Seven, Group of 20 and the International Monetary Fund vowed vigilance in helping economies around the world on the road to recovery.

Where Does This Lead Us?

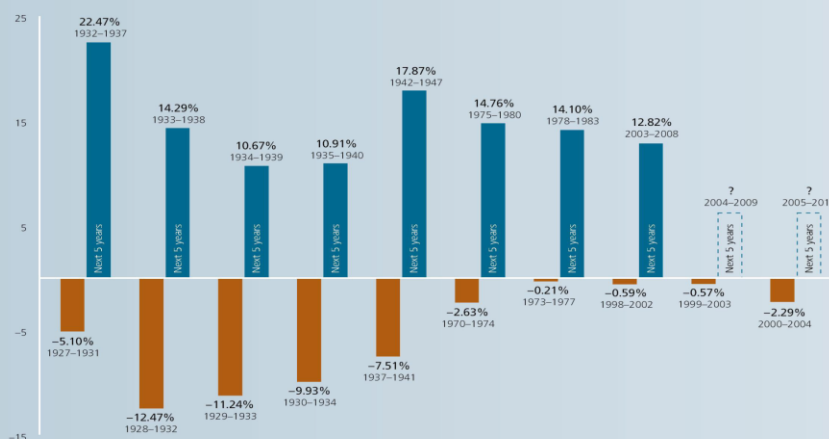
...But Seen It Before

A *bear market* is a prolonged period when the stock market declines by 20% or more. If the period of falling stock prices is short and immediately follows a period of rising stock prices, it is instead called a *correction*. Bear markets usually occur when the economy is in a recession and unemployment is high, or when inflation is rising quickly.

Market peak	Date of 20% drop	Market bottom	% Loss	# of days	Years
05/29/46	09/03/46	06/13/49	-29.6	1,111	3.0
08/02/56	10/21/57	10/22/57	-21.6	446	1.2
12/12/61	05/28/62	06/26/62	-28.0	196	0.5
02/09/66	08/29/66	10/07/66	-22.2	240	0.7
11/29/68	01/29/70	05/26/70	-36.1	543	1.5
01/11/73	11/27/73	10/03/74	-48.2	630	1.7
11/28/80	02/22/82	08/12/82	-27.1	622	1.7
08/25/87	10/19/87	12/04/87	-33.5	101	0.3
03/24/00	03/12/01	10/09/02	-49.1	929	2.5
Average			-32.8	535	1.5

When the market turns negative, it's difficult to remain optimistic, especially if returns have been negative for several years in a row. The phenomenon of a five-calendar-year period with negative returns for the S&P 500 Index has only occurred ten times since 1926. Five of those periods occurred around the stock market crash of 1929 and the Great Depression. Two coincided with the 1973–1974 bear market, and the others were during the most recent bear market. In each case, the period following a five-year period of negative returns has produced exceptional results. **Although past performance is no guarantee of future results, these down periods can often be great buying opportunities for investors.**

What typically follows 5-year losses?³



Why should I still invest in stocks?

It's a good question. One answer has to do with how optimistic you feel about the future — and about the world and its opportunities for growth and development. Do you really think we've peaked?

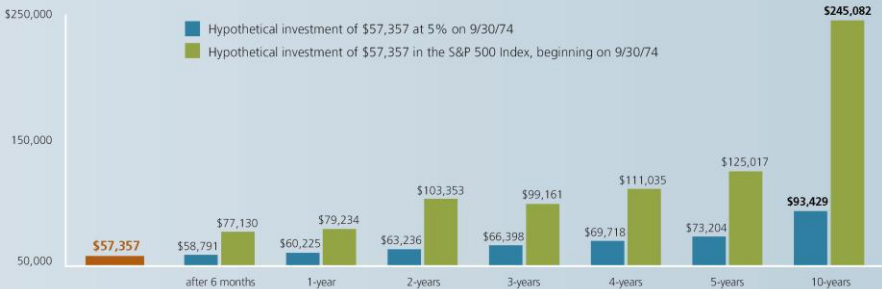
More importantly, consider what would have happened if investors in past bear markets bailed out after a significant decline and moved their money to a "safe" interest-bearing security. We'll use the tough bear market of the 1970s to illustrate our example. It was a very gloomy period in our nation's history, and some people lost a lot of money. You couldn't really blame investors for throwing their hands up and screaming "Get me out!"

Hypothetical investment in the S&P 500 during the bear market 1972-1974⁴



We'll assume that the investor from the previous chart now has \$57,357 to invest. While getting out of the stock market may mean avoiding more down days, it also means missing out on the up days when the market bounces back. **Investors who stayed invested even after a long, slow market decline would have done much better in the long run.**

Staying invested vs. getting out — it's important to maintain a long-term focus⁴



⁴ Source: Lipper, Inc. The S&P 500 is an unmanaged index which includes 500 widely traded stocks. It is not possible to invest directly in an index. Past performance is no guarantee of future results. This illustration does not reflect the performance of any John Hancock fund.

What Did We Do?

- Managed portfolios to meet risk assessments
- Stayed under allocated from our targets
- Switched to treasury funds in July
- Watched FDIC limits and CDs
- But still...

What Do We Do?

- Hold steady
- Recover
- Tax loss selling
- Conversion of IRAs when applicable
- Get in front of and talk with and LISTEN to our clients
- Corporate bonds looking attractive

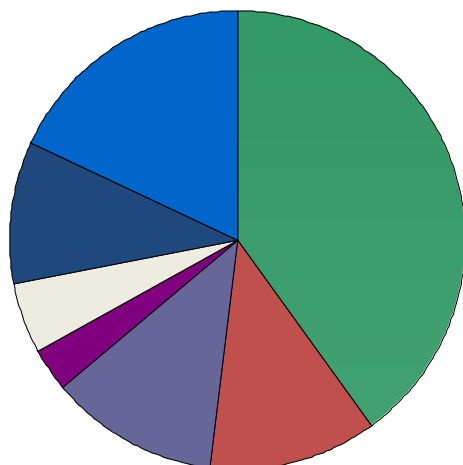
Investing

- “Remember the essence of investment management is the management of risk, not the management of returns” - Benjamin Graham (considered the father of value investing) – Warren Buffet’s mentor

Balanced Portfolio Design Protect, Preserve and Build Wealth

- Determine long-term goals and short term needs
- Identify tolerance for risk
- Develop asset allocation strategy to support financial objectives
- Determine most suitable investment strategy
- Identify appropriate investments within the investment strategy
- Ongoing review and rebalancing to stay on plan
- Keep a long-term perspective- stick to the plan

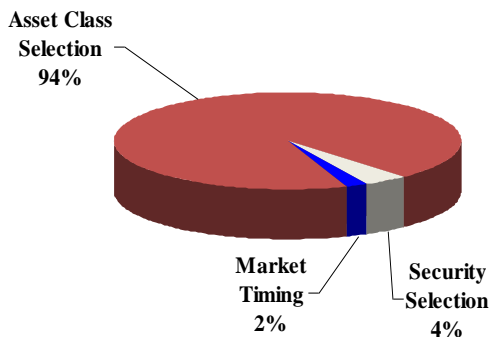
What is Asset Allocation?



Asset Allocation is the process of combining multiple asset classes in a portfolio in order to meet your investment objectives.

Why Is Asset Allocation Important?

Asset Class Selection is the Most Important Determinant of Portfolio Performance



Definitions

Asset Class Selection

How assets are allocated in a portfolio.

Market Timing

Shifting portfolio assets in and out of the market or between asset classes.

Security Selection

Finding "underpriced" companies or industries.

The vast majority of a portfolio's returns variance is determined by asset class selection and only a small portion is determined by market timing and security selection.

Source: Brinson, Hood, Beebower and Singer Study of 91 large pension plans over 10 year period.

Why Asset Allocation?

Asset allocation may provide you with the following:

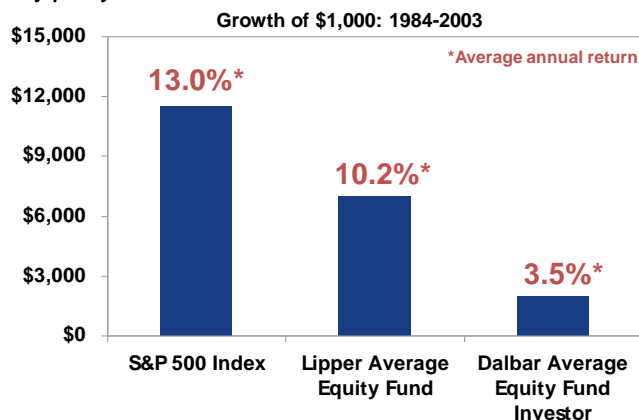
- Reduces emotional response to market downturns, allowing you to stay invested over the long term
- May help to manage overall portfolio risk while enhancing overall returns
- Seeks to provide consistent long-term performance that can potentially improve the chances of pursuing a desired investment goal over time
- Encourages a long-term investment perspective

A 1991 landmark study of large pension funds* concluded that if you compare two portfolios—one that used an asset allocation study with one that did not—91% of the variation in portfolio performance could be attributed to asset allocation.

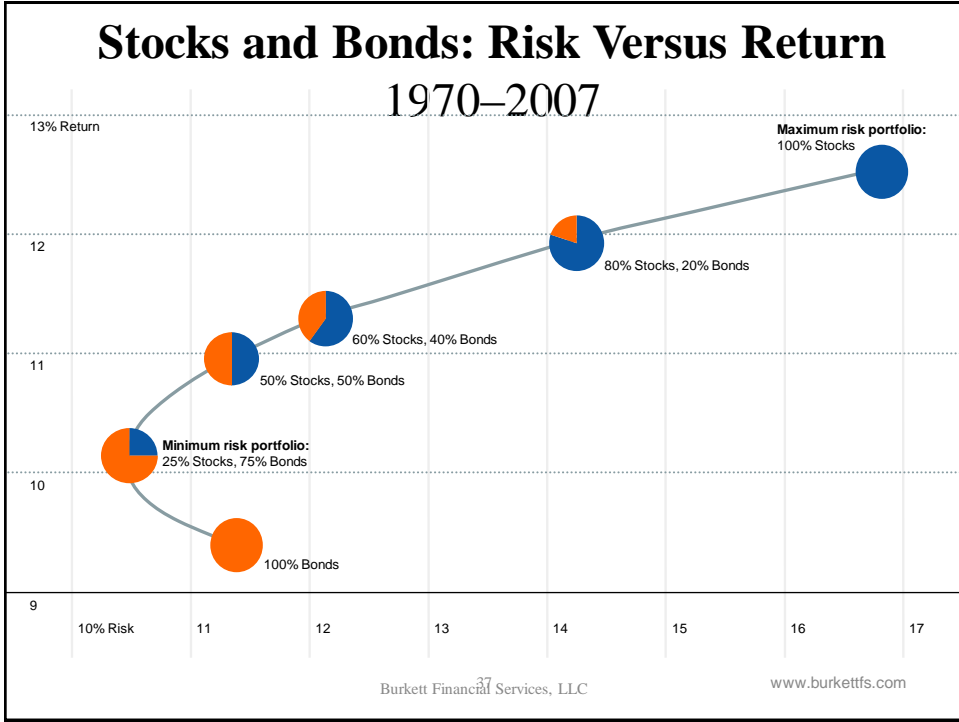
* Contribution of Asset Allocation Policy, Market Timing and Security Selection to Portfolio Performance.
Source: Financial Analysts Journal, May–June 1991.

The Myth of the Success of the Average Investor

How can investments do so well and average investors do so relatively poorly?

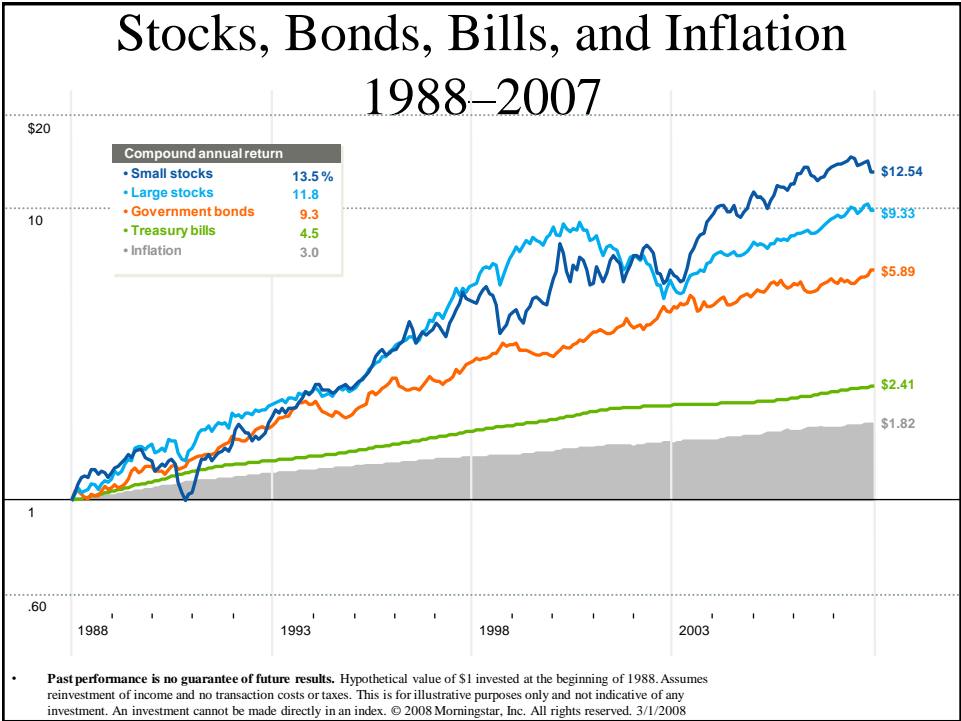
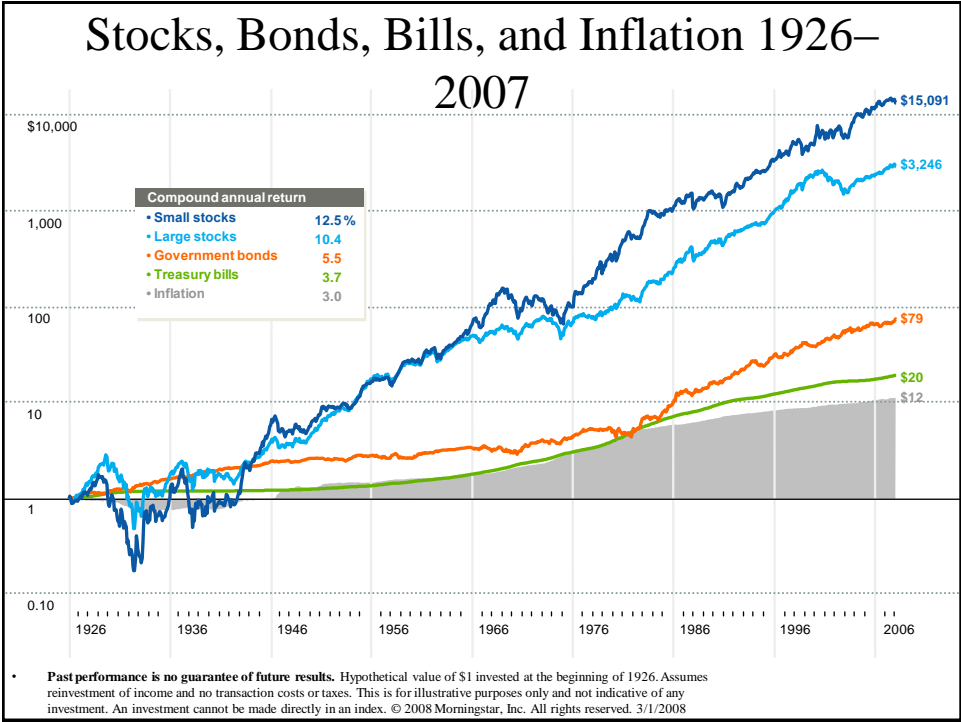


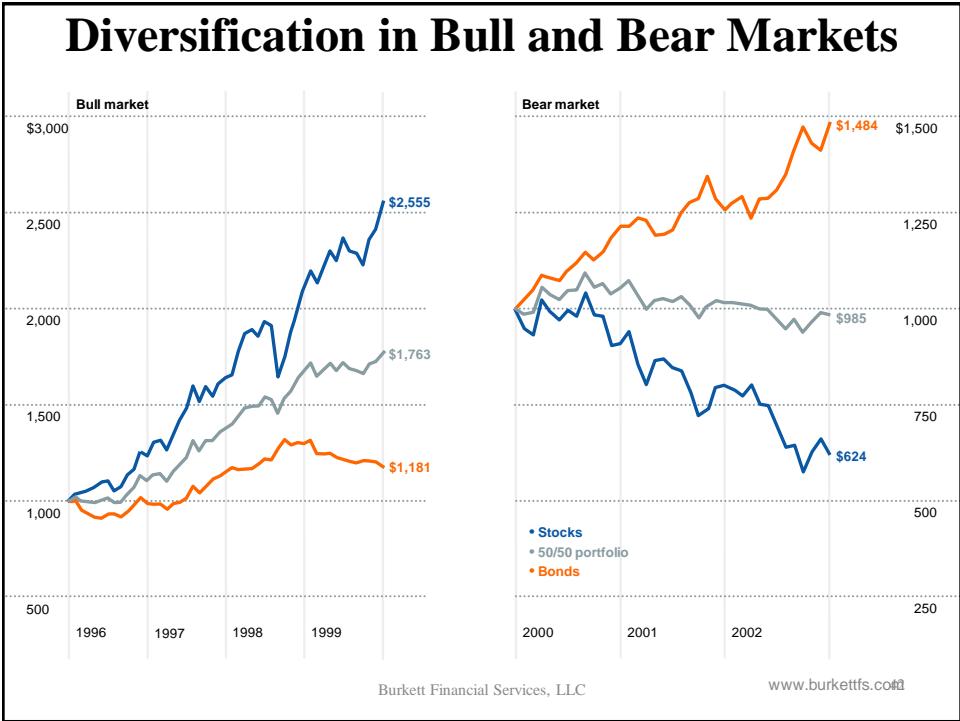
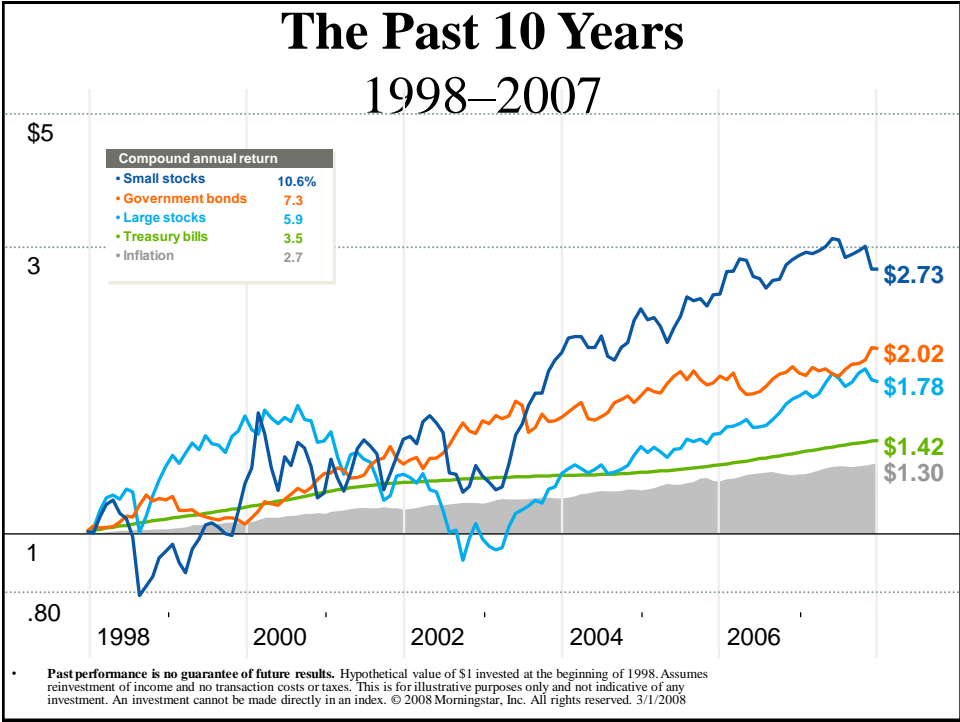
Source: Lipper and Dalbar. For illustrative purposes only. Past performance does not guarantee future results. Performance calculated assuming reinvestment of all dividends and capital gains. The S&P 500 Index is an unmanaged, weighted index comprising 500 widely held common stocks varying in composition and is unavailable for investment. The Lipper Average Equity Fund is an equally weighted average of all equity funds (including Large Cap, Small Cap, Mid Cap, Multi Cap, S&P Objective, Specialty Diversified and Equity Income funds). The Dalbar Average Equity Fund Investor is the rate of return investors earned, based on the length of time shareholders actually remain invested in equity mutual funds. Over the time period 1984-2003, the equity mutual fund shareholders held their mutual funds for an average of 23.5 months. Mutual fund sales, redemptions, exchanges, reinvested dividends and assets under management are based on monthly data provided by the Investment Company Institute. The average annual return of the Dalbar Average Equity Investor is based on all equity funds, represented by the Dalbar Equity Index which was comprised of the S&P 500 Index and the Ibbotson Small Company stock Index.

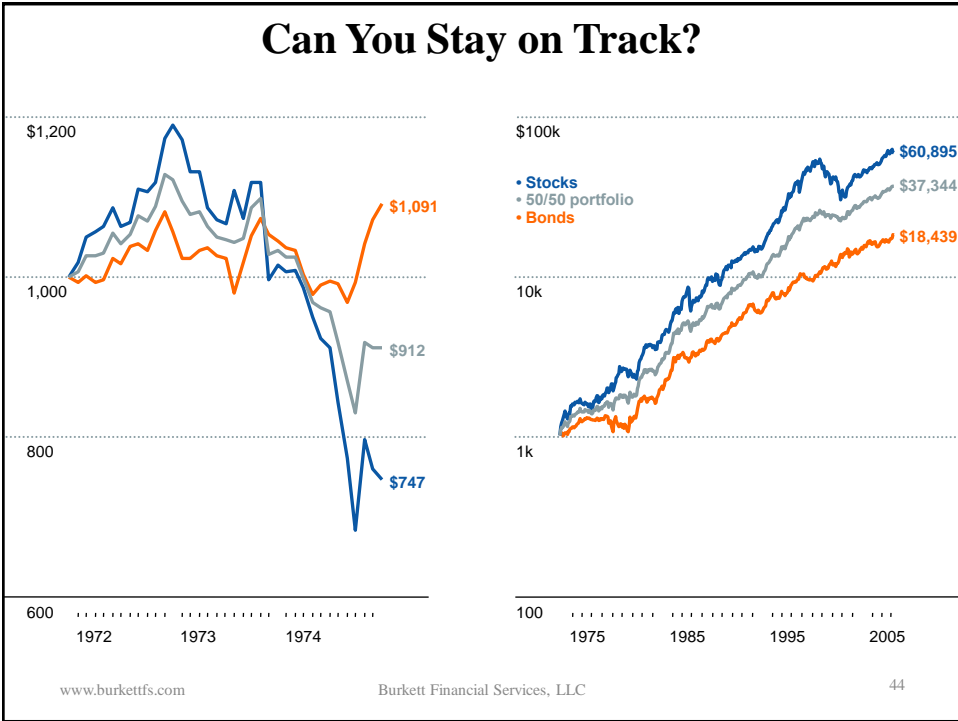
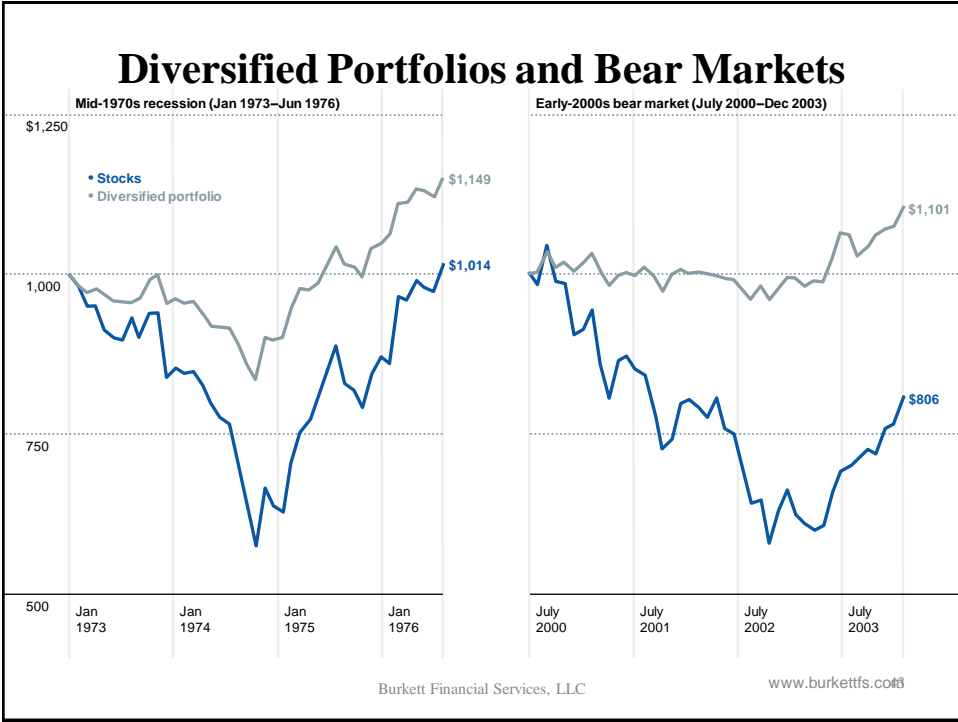


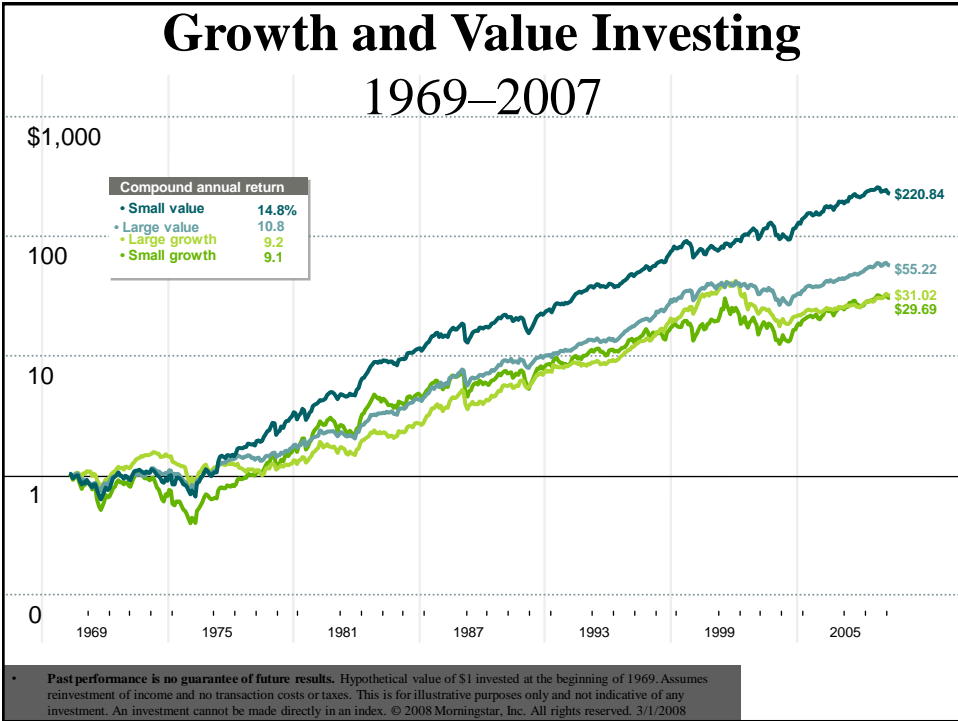
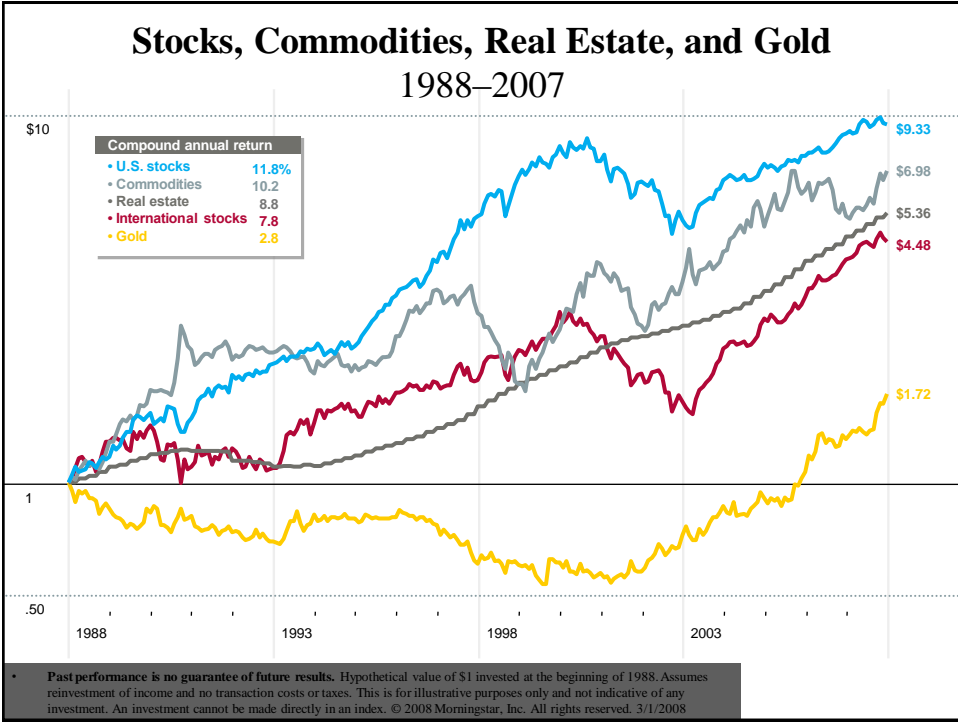
Asset Class Winners and Losers

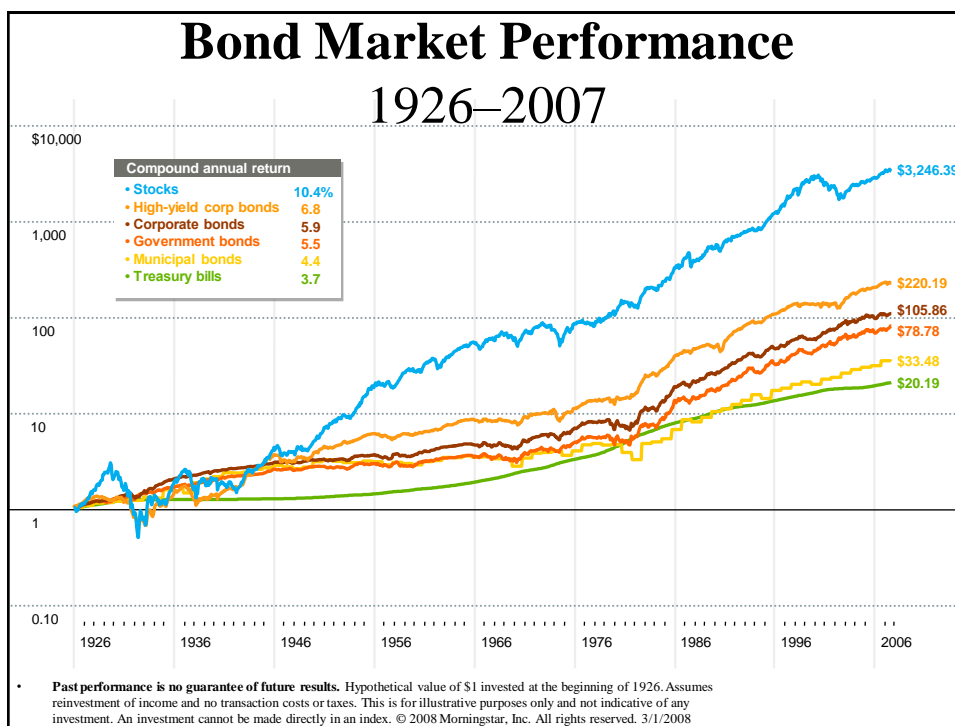
1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
36.53% S&P 500 BARRA GROWTH	42.16% S&P 500 BARRA GROWTH	51.29% RUSSELL 1000 MID CAP GROWTH	22.83% RUSSELL 2000 VALUE	14.02% RUSSELL 2000 EQUITY	10.25% LEHMAN BROTHERS BOND	48.54% RUSSELL 2000 GROWTH	31.58% NAREIT EQUITY	13.54% MSCIEAFE	34.40% NAREIT EQUITY	23.45% RUSSELL 1000 MID CAP GROWTH
34.37% RUSSELL 1000 MID CAP VALUE	28.60% S&P 500	43.09% RUSSELL 2000 GROWTH	26.37% NAREIT MID CAP EQUITY	13.93% NAREIT EQUITY	3.82% NAREIT EQUITY	47.25% RUSSELL 2000	23.71% RUSSELL 1000 MID CAP VALUE	12.65% RUSSELL 1000 MID CAP VALUE	26.34% MSCIEAFE	19.87% MSCIEAFE
33.35% S&P 500	20.00% MSCIEAFE	28.25% BARRA GROWTH	19.18% RUSSELL 1000 MID CAP EQUITY	8.44% LEHMAN BROTHERS	-9.64% RUSSELL 1000 MID CAP VALUE	-46.03% RUSSELL 2000 VALUE	22.25% RUSSELL 2000 VALUE	12.65% RUSSELL 1000 MID CAP VALUE	23.48% RUSSELL 2000 VALUE	11.81% S&P 500 BARRA GROWTH
31.78% RUSSELL 2000 VALUE	17.86% RUSSELL 1000 MID CAP GROWTH	26.96% MSCIEAFE	11.57% LEHMAN BROTHERS BOND	2.49% RUSSELL 2000	-11.43% RUSSELL 2000 VALUE	42.71% RUSSELL 1000 MID CAP GROWTH	20.25% MSCIEAFE	13.15% NAREIT EQUITY	22.25% S&P BARRA 500 VALUE	7.98% RUSSELL 1000 MID CAP GROWTH
29.98% S&P BARRA 500 VALUE	14.67% S&P BARRA 500 VALUE	21.26% RUSSELL 2000	8.25% RUSSELL 1000 MID CAP VALUE	2.33% RUSSELL 2000	-15.94% MSCIEAFE	40.06% RUSSELL 1000 MID CAP GROWTH	20.22% MSCIEAFE	12.10% RUSSELL 1000 MID CAP GROWTH	20.22% RUSSELL 1000 MID CAP VALUE	7.05% RUSSELL 2000 GROWTH
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22.54% RUSSELL 1000 MID CAP GROWTH	8.69% LEHMAN BROTHERS BOND	18.23% RUSSELL 1000 MID CAP GROWTH	-3.02% RUSSELL 2000	-9.23% RUSSELL 2000 GROWTH	-20.48% RUSSELL 2000	38.07% RUSSELL 1000 MID CAP VALUE	15.71% S&P BARRA 500 VALUE	4.91% S&P 500	15.79% S&P 500	5.77% S&P 500
22.36% RUSSELL 2000 MID CAP GROWTH	5.08% RUSSELL 1000 MID CAP GROWTH	12.72% S&P BARRA 500 VALUE	9.10% S&P 500	-11.71% S&P BARRA 500 VALUE	-20.85% S&P BARRA 500 VALUE	37.15% NAREIT EQUITY	15.48% RUSSELL 1000 MID CAP GROWTH	4.71% RUSSELL 2000 GROWTH	12.26% RUSSELL 1000 MID CAP GROWTH	-0.17% S&P BARRA 500 VALUE
20.26% NAREIT EQUITY	1.23% RUSSELL 2000 MID CAP GROWTH	-0.11% RUSSELL 1000 MID CAP GROWTH	-11.75% RUSSELL 1000 MID CAP GROWTH	-11.88% S&P 500	-22.09% S&P 500	31.79% S&P BARRA 500 VALUE	14.31% RUSSELL 2000 GROWTH	4.55% RUSSELL 2000	13.35% RUSSELL 2000 GROWTH	-1.42% RUSSELL 1000 MID CAP VALUE
12.95% RUSSELL 2000 GROWTH	-2.55% RUSSELL 2000 GROWTH	-4.95% LEHMAN BROTHERS	-22.08% MSCIEAFE	-20.15% BARRA GROWTH	-27.41% S&P 500	28.67% S&P 500	10.87% S&P 500	4.15% RUSSELL 2000 GROWTH	12.55% RUSSELL 2000 GROWTH	-1.57% S&P 500
8.48% LEHMAN BROTHERS BOND	-6.45% RUSSELL 2000 VALUE	-1.49% RUSSELL 2000 VALUE	-22.08% S&P 500 BARRA GROWTH	-20.15% RUSSELL 1000 MID CAP GROWTH	-27.41% RUSSELL 1000 MID CAP GROWTH	25.68% S&P 500 BARRA GROWTH	6.13% S&P 500 BARRA GROWTH	3.46% S&P 500 BARRA GROWTH	10.66% RUSSELL 1000 MID CAP GROWTH	-7.64% RUSSELL 2000 VALUE
1.78% MSCIEAFE	-17.50% NAREIT EQUITY	-4.62% NAREIT EQUITY	-22.43% RUSSELL 2000 GROWTH	-21.44% RUSSELL 2000 GROWTH	-30.26% LEHMAN BROTHERS BOND	4.10% LEHMAN BROTHERS BOND	4.44% LEHMAN BROTHERS BOND	2.48% LEHMAN BROTHERS BOND	4.38% LEHMAN BROTHERS BOND	-15.70% NAREIT EQUITY





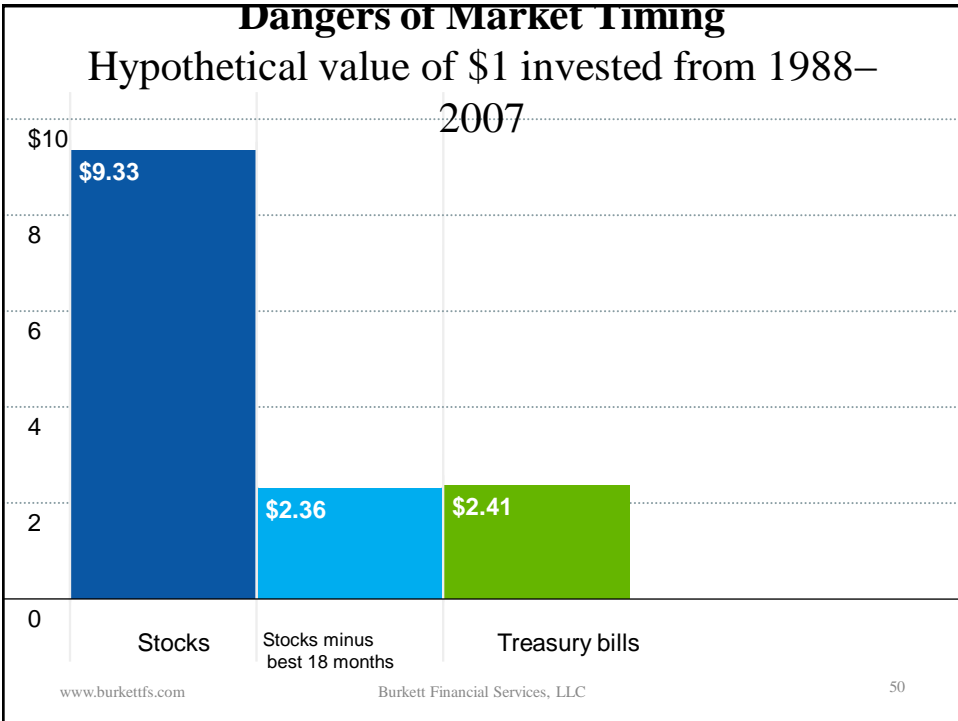
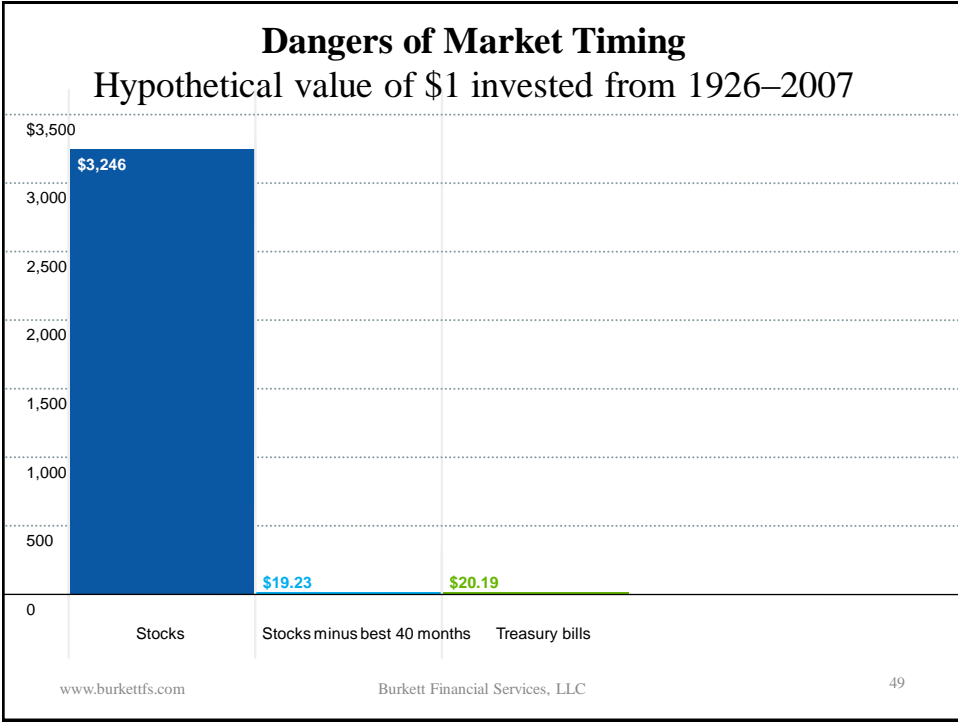


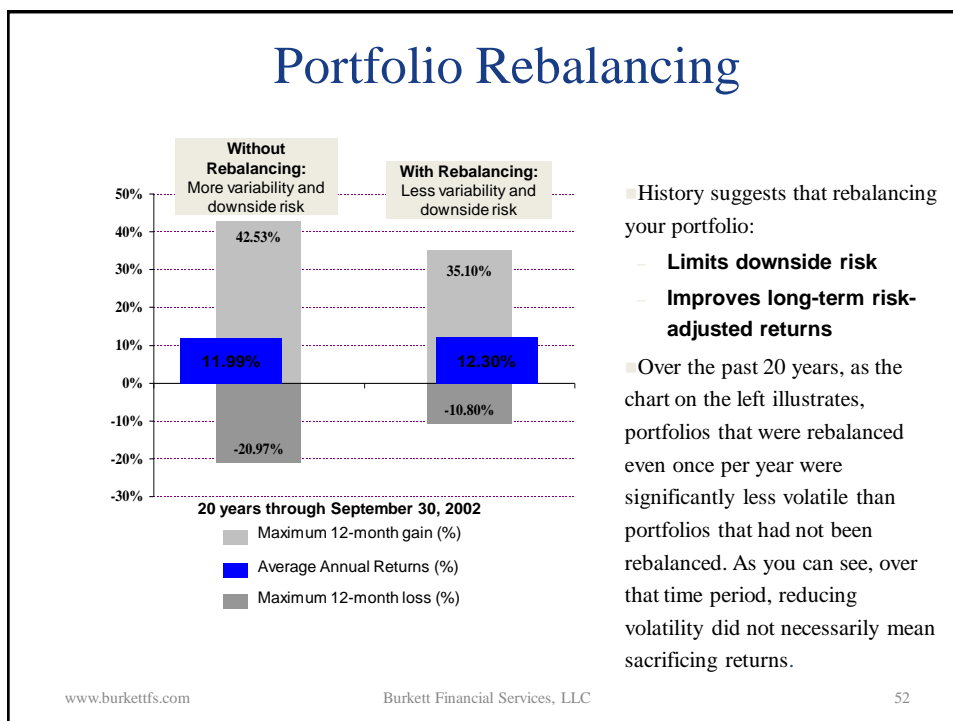
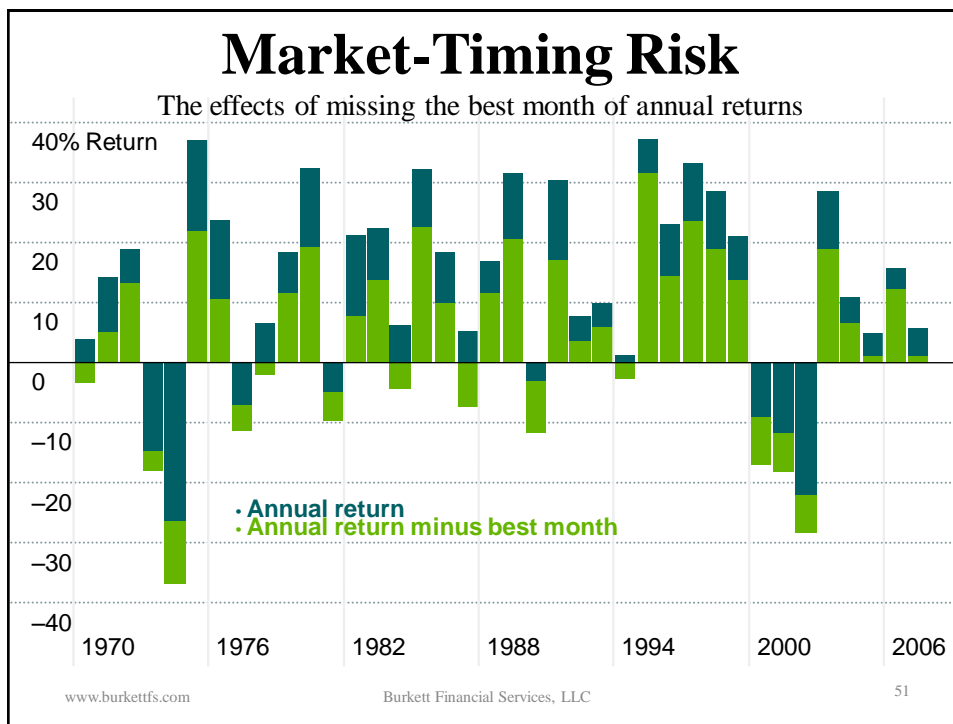


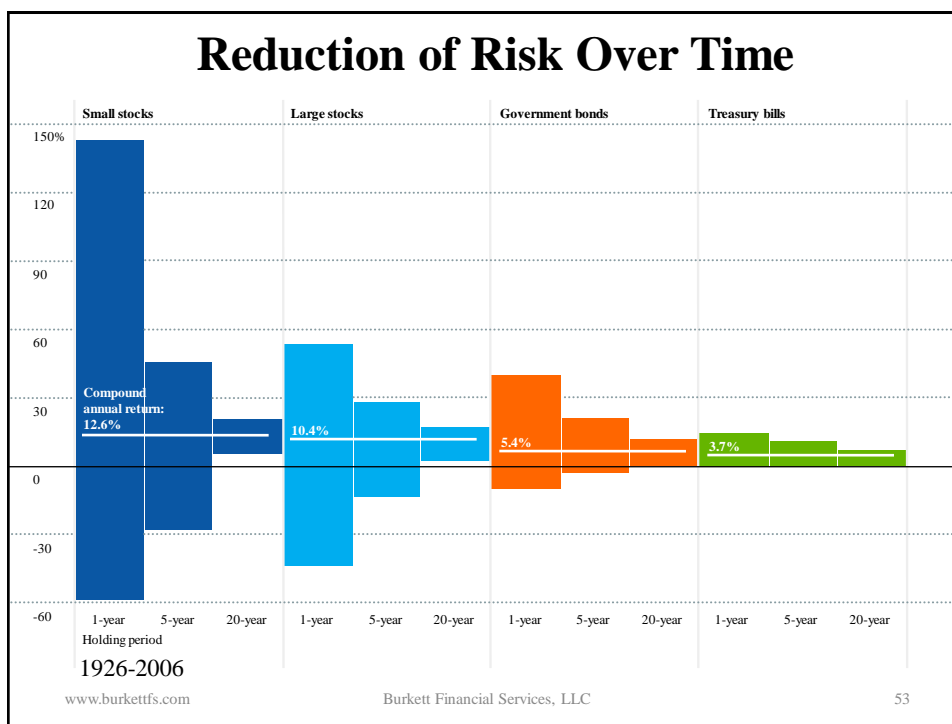


Behavioral Issues

- Chasing Returns– “CNBC disease”
- Uncooperative market
- Emotional Investing- buying high and selling low
- Concentrated holdings- risk disproportionate
 - Buying individual securities without diversification or asset allocation strategy
- Trying to time the market...







A Repeatable Process Underscores the Importance of Proper Financial Planning

- Will I be able to afford to retire?
- Will I outlive my assets?
- What strategies should I consider for funding my children's education?
- How can I maximize the amount of my estate that goes to my heirs?
- What happens if I become disabled?
- If I were to die unexpectedly, would my family be well provided for?
- Are my investments in line with my risk tolerance and are they appropriate for my goals?

What Does This Mean To Me?

- Will I be able to outlive my money?

“The Four Percent Solution?”

Based on William “Bill” Bengen’s Studies
See Bengen’s “Conserving Client Portfolios”
papers in the 1990s and updated again in 2005

William “Bill” Bengen Study *(cont.)*

- Also found that for a portfolio to last 30 years:
 - First year withdrawal of 4% followed by inflation adjusted withdrawals should be OK

William “Bill” Bengen Study *(cont.)*

- Also:
 - Holding too few stocks does more harm than holding too many stocks
- Other studies have supported his findings
- Compare with Guyton study briefly

William “Bill” Bengen Study *(cont.)*

- New rule of thumb:
 - A 4% withdrawal rate has a 98% success rate for retirees
- Caveat: This is all based on past performance of the stock market

William “Bill” Bengen Study *(cont.)*

- Asset allocation is central
- Bengen recommends at least 75% stock allocation
 - And in no case less than 50%
 - i.e. sweet spot is 50% - 75% (makes sense on risk and return trade off of MPT)

Bengen's Results

- Used actual returns from 1926 forward using rolling 30 year periods
 - i.e. 1926-1956, 1927-1957 and so on
 - This gave many periods, with many economic cycles and did not bias the results by having someone retire in a good 30 year window
- The results are as follows

Bengen's Results

- To get 100% success of having principal at the end of 30 year window, must use ~ 4% with the 50%, 63% and 75% stock mix.
- To get 100% success with a 100% stock mix, must use under 4% or in his studies a 3.9% withdrawal rate due to volatility.

Bengen's Results

W/D %	50% Stocks	63% Stocks	75% Stocks	100% Stocks	
4.25	96%	98%	96%	93%	
4.50	89%	93%	93%	87%	
4.75	83%	85%	83%	87%	
5.00	74%	81%	78%	78%	
5.25	63%	70%	72%	74%	
5.50	56%	65%	69%	72%	
5.75	52%	56%	67%	69%	
6.00	44%	56%	57%	61%	
6.25	39%	52%	52%	61%	
6.50	33%	43%	52%	56%	

- At higher rates of w/d, you need more stock but still not great bets of success.
- At anything other than the higher rates, a 50% - 75% stock mix works best.
- Don't just follow averages