

Your Financial Future

Setting Sail In Retirement

(NAPSA)—Retirement is your well-deserved reward for a lifetime of hard work. It's the time for you to enjoy whatever you love doing. But will your retirement income cover the costs? Here are some facts to consider:

Inflation—Your hard-earned dollars may not go as far in retirement as they do today. Assuming a four percent inflation rate, you'll likely need twice as much money 20 years from now to meet the same living expenses. Remember when a postage stamp cost 13 cents back in 1975? Now it's 37 cents! Since you'll need more money in the retirement pot, a tax-deferred financial product is something to consider to help you keep more of the money that you have worked so hard to save.

Time—Your retirement may last a long time—so make time work for you. According to the National Center for Health Statistics, the average American lived to be 62 years old in 1935. Now, life expectancy is 74.4 years for men and 79.8 years for women. Of course, this is a good thing—if your income lasts along with you. If you reinvest earnings rather than take them in cash, your money can grow faster and go further. It's the miracle of compounding: You're earning money not just on your original investment, but also on accumulated earnings.

Social Security—In a recent poll by Allstate Financial, 93 percent of Americans surveyed said they believe it is up to individuals to ensure their own financial security during retirement. But in



reality many will still rely on Social Security as a significant part of retirement income. Only 38 percent of the average retiree's income is provided by Social Security, according to the Social Security Administration. The average retiree's monthly Social Security check is about \$848. Though Social Security is one part of a retirement plan, make sure you do your part as well. Consider contributing the maximum to your company's employee-sponsored retirement savings plan and be diligent in your personal savings.

Your personal goals and circumstances will determine the type of retirement savings plan that's best for you. An experienced professional can help you evaluate how much money to allocate to growth or fixed income products.

Want to learn more? Log on to Allstate.com for more information about retirement products that can help you sail smoothly throughout retirement.