

Asset Accumulation & Preservation

To help provide security in later life, it's important to have a long-term asset accumulation program in place designed to outpace inflation and reduce taxation. When building a program you should consider how many years you may be living in retirement and how much it will cost you to live comfortably during those years.

The Rule of 72 – Helping To Outpace Inflation¹⁹

The Rule of 72 can help you determine how long it will take for your savings to double. Dividing the number 72 by the interest rate that your savings or investment is earning provides you with the total number of years it will take for you to double your initial investment.

The examples below show how much you can earn over time with an investment of \$10,000 at different rates of interest.

Age	4%	Age	6%	Age	8%	Age	12%
Money doubles every 18 years		Money doubles every 12 years		Money doubles every 9 years		Money doubles every 6 years	
29	\$10,000	29	\$10,000	29	\$10,000	29	\$10,000
47	\$20,000	41	\$20,000	38	\$20,000	35	\$20,000
65	\$40,000	53	\$40,000	47	\$40,000	41	\$40,000
		65	\$80,000	56	\$80,000	47	\$80,000
				65	\$160,000	53	\$160,000
						59	\$320,000
						65	\$640,000

¹⁹ All figures are for illustrative purposes only and do not reflect an actual investment in any product. They do not reflect the performance risks, expenses or charges associated with any actual investment. Past performance is not an indication of future performance. The Rule of 72 is a mathematical concept that approximates the number of years it would take to double the principle at a constant rate of return. The performance of investments fluctuate over time, and as a result, the actual time it will take an investment to double in value cannot be predicted with any certainty. Additionally, there are no guarantees that any investment or savings program can outpace inflation. Please note that high risk has been historically associated with higher rates of return.