

THE PPS RETIREMENT SUMMIT

PLANNING FOR AN EXCITING NEW CHAPTER IN YOUR LIFE.

Retirement is about preparing for financial freedom and about designing our future. PPS, a diversified financial services provider focusing on graduate professionals recently hosted the PPS Retirement Summit to highlight the fact that, with proper planning, retirement can be the start of an exciting new chapter in people's lives.

Louis Fourie, one of the first recipients of Beeld's Economist of the Year award and the co-founder of the Logic Filter explained the ten habits of financial freedom necessary for a stress-free retirement. The trademarks of an independent investment portfolio, revealed Fourie, include assets that appreciate in value without requiring you to do any work for it; and investments through regulated funds that are well diversified and clinically priced by a dynamic market. He also cautioned to avoid sentiment or speculation and to ensure that all assets are tradeable, income-friendly and do not involve any gearing mechanisms.

One of the key risks in retirement is longevity and outliving the funding you have created in your formal employment years. Other risks include inflation, consumption and market risks. "Living longer and providing for what could be three or more decades requires an active pre-retirement and post-retirement life plan anchored in professional advice and management," said Linda Sherlock, PPS Executive Head of Wealth Advisory and Business Development.

A growing number of people no longer want to follow the traditional retirement path and are reimagining their working lives after retirement where they have the opportunity to follow their passion and purpose. "Lifetime aspirations sometimes find their home at retirement," revealed Sherlock, adding that this requires planning as you develop your journey map to retire "to" something.

Dr Michael Mol, speaker, business consultant and founding director of Hello Doctor, put the spotlight on health and well-being in retirement.



Just because you are not sick, does not mean you are healthy, said Mol, adding that health is not a default setting but is something that needs to be actively pursued. The three things we all need to pursue are eating healthily, sleeping for the required number of hours and, most importantly, moving. Exercise, he stressed, is critical for a healthy life. A sedentary life will cost you in old age.

Rand weakness, explained PPS Investments executive for Marketing and Business Development, Anil Thakersee, has little to do with South Africa's fundamentals and is primarily influenced by global factors. As a result, forecasting the Rand is almost impossible and highly inadvisable. "In terms of opportunities over the long term, South Africa has three key opportunities: we are a commodities-rich economy; we have a relatively young population, and this demographic will to some degree provide a demand underpin for the economy as we integrate more and more people into the formal economy; and lastly, our position at the top of Africa provides a unique advantage if we can capitalise on this and supply goods and services into Africa."

Disposable income, particularly for the middle class and professional set, is under threat, pointed out Ayanda Seboni, PPS group executive for Marketing and Stakeholder Relations. As professionals take strain due to increasing costs, they are resorting to debt to fund some lifestyle basics. Youth unemployment is a serious problem impacting us all, she said, referring to the phenomenon of 'Kippers' (Kids in Parents' Pockets Eroding Retirement Savings). In addition to social issues, high inflation and low interest rates are impacting retirement savings.

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