

Risk Illustrations - Advanced Options - Sustainable Drawdown

Last Modified on 25/05/2022 5:14 pm BST

This article is a continuation of article - [Risk Illustrations - Advanced Options - 'What If' Scenario](#)

The Sustainable Drawdown filter allows you to see the longevity of the investment, using the following information:

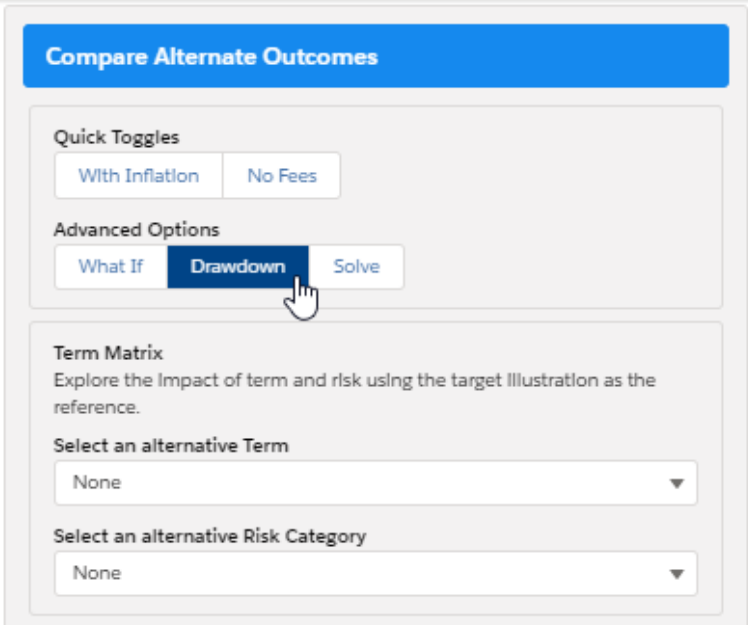
- Retirement Age
- Retirement Term (must be between 1-55 years)
- Total Cost Solution % (percentage charge to be used as the Total Cost Solution)
- Target Income Per Annum
- Portfolio

You can also enable 'Annuity Basis For Income' which will need the following Information:

- Retirement Age
- Target Income Per Annum

In the example below, the client will retire at 67 with 19 years until retirement, It currently costs 3% as a total cost and they plan on taking a £15,000 income per annum.

Select 'Drawdown' within the Compare Alternative Outcomes area:



The screenshot shows a user interface titled "Compare Alternate Outcomes". It features a "Quick Toggles" section with "With Inflation" and "No Fees" buttons. Below that is the "Advanced Options" section, which has three buttons: "What If", "Drawdown" (which is highlighted in blue and has a mouse cursor over it), and "Solve". Underneath is the "Term Matrix" section, which includes a description and two dropdown menus: "Select an alternative Term" (set to "None") and "Select an alternative Risk Category" (set to "None").

This will open the 'Sustainable Drawdown area on the bottom right of the screen.

Complete the details and click 'Show' to add to the graphs and alternative outcome summary.

Compare Alternate Outcomes

Quick Toggles

With Inflation No Fees

Advanced Options

What If **Drawdown** Solve

Term Matrix
Explore the Impact of term and risk using the target Illustration as the reference.

Select an alternative Term

None ▼

Select an alternative Risk Category

None ▼

▼ Sustainable Drawdown

Annuity Basis for Income Disabled

* Retirement Age (Default 65)

67

* Retirement Term ⓘ


19


* Total Solution Cost % ⓘ

3.00%

* Target Income Per Annum

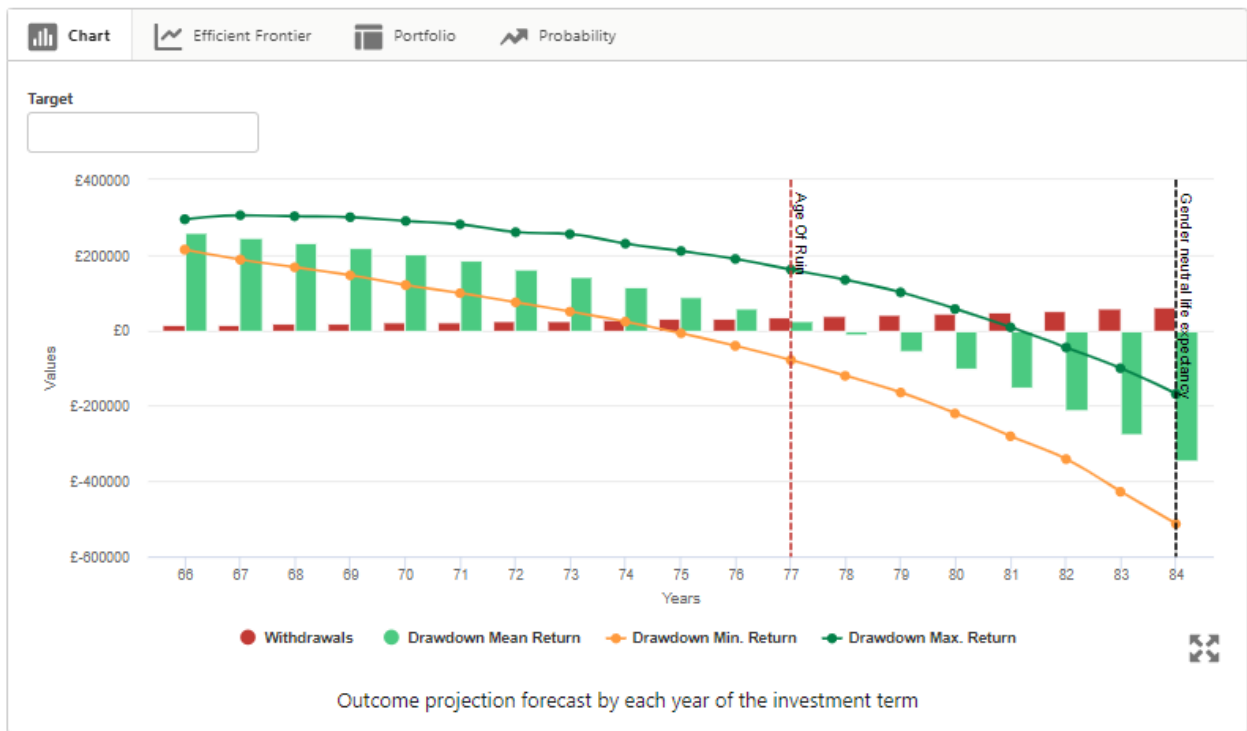
£15,000

 ASI MyFolio Managed II • Standard Life (Risk) • MyF...
MultiAsset • Balanced (Low End) • 5 ✕

Show 

The graph will update to show the gender neutral life expectancy (shown by the black line below). If the fund will deplete before life expectancy, you will see a red 'Age of Ruin' line to indicate when this is likely to happen.

The Sustainable Drawdown area will also populate below the graph to show the Starting Value (Target Outcome Mean. Gain), Target Withdrawal and Age of Ruin.



Outcome Summary	Sustainable Drawdown
Total Contributions During Term £235,099.70	Final Value (Expected Outcome Mean Gain) £267,623.00
Expected Outcome (Mean Gain) £267,623.51 or 19.80%	Target Withdrawal £15,000.00
Lowest Outcome (Min. Gain 5% Chance) £162,828.00 or -27.11%	Age of Ruin 77 Years of Age
Highest Outcome (Max. Gain 5% Chance) £405,684.00 or 81.60%	

If you would like to select an alternative portfolio, click the cross next to the portfolio and you will be able to search for another portfolio:

▼ Sustainable Drawdown

Annuity Basis for Income Disabled

* Retirement Age (Default 65)

67

* Retirement Term ⓘ


19

* Total Solution Cost % ⓘ

3.00%

* Target Income Per Annum

£15,000

 **ASI MyFolio Managed II** • Standard Life (Risk) • MyF...
MultiAsset • Balanced (Low End) • 5



Clear selection

Show

> Solve Contributions

> What If Scenario

▼ Sustainable Drawdown

Annuity Basis for Income Disabled

* Retirement Age (Default 65)

* Retirement Term ⓘ

* Total Solution Cost % ⓘ

* Target Income Per Annum

Portfolio

All ▼

> Solve Contrib

> What If Scen

- AJ Bell Active MPS 1 • AJ Bell (Risk) • ...
MPS • Moderately Cautious (High En...
- AJ Bell Active MPS 2 • AJ Bell (Risk) • ...
MPS • Balanced (Low End) • 5
- AJ Bell Active MPS 3 • AJ Bell (Risk) • ...
MPS • Moderately Adventurous (Low ...
- AJ Bell Active MPS 4 • AJ Bell (Risk) • ...
MPS • Moderately Adventurous (High...
- AJ Bell Active MPS 5 • AJ Bell (Risk) • ...
MPS • Adventurous • 9
- AJ Bell Active MPS 6 • AJ Bell (Risk) • ...
MPS • Very Adventurous • 10

[Advanced Search](#)

Once selected, click 'Show' to update.

▼ Sustainable Drawdown

Annuity Basis for Income Disabled

* Retirement Age (Default 65)

67

* Retirement Term ⓘ


19

* Total Solution Cost % ⓘ

3.00%

* Target Income Per Annum

£15,000

 AJ Bell Active MPS 2 • AJ Bell (Risk) • Active
MPS • Balanced (Low End) • 5 ✕

Show

> Solve Contributions

> What If Scenario

See next article [Risk Illustrations - Advanced Options - Solve Contributions](#)
