

Risk Illustrations - Advanced Options - Solve Contributions

Last Modified on 13/02/2024 3:35 pm GMT

This article is a continuation of article [Illustrations - Edit Outcome - Sustainable Drawdown](#)

Solve Contributions is found within the Compare Alternative Outcomes area. Selecting the option will open 'Solve Contributions' on the bottom right of the screen.

This allows you to calculate how much your client will need to invest initially or on a regular basis to hit the Target Amount.

The screenshot displays the 'Compare Alternate Outcomes' interface. At the top, there is a blue header with the text 'Compare Alternate Outcomes'. Below this, there are two sections: 'Quick Toggles' and 'Advanced Options'. The 'Quick Toggles' section contains two buttons: 'With Inflation' and 'No Fees'. The 'Advanced Options' section contains three buttons: 'What If', 'Drawdown', and 'Solve'. A mouse cursor is pointing at the 'Solve' button. Below these sections is the 'Term Matrix' section, which includes a description and two dropdown menus for 'Select an alternative Term' and 'Select an alternative Risk Category', both currently set to 'None'. The bottom section of the interface is titled 'Sustainable Drawdown' and contains a sub-section 'Solve Contributions'. This sub-section has a heading '* What do you want to solve for?' and two buttons: 'Initial £' and 'Regular £'. Below these buttons is a red error message 'Complete this field.'. There are two more required fields: '* Target Amount £' with a text input field containing 'Insert Target Amount', and '* Comfort %' with a text input field containing '50'. At the bottom of this section, there is a label 'Amount Required' with a dash '-' below it, and a blue 'Calculate' button. Below the 'Calculate' button is a grey 'Update Illustration Settings' button. At the very bottom of the interface, there is a link '> What If Scenario'.

Select whether you would like to calculate what the initial or regular contribution would need to be

to hit the target, then enter the target amount.

In the example below, we would like to calculate what the regular contribution would need to be to hit a target of £250,000 (the anticipated outcome - mean gain). The Comfort will default to 50%, as this will aim to hit the Mean gain figure. Then select 'Calculate'.

> Sustainable Drawdown

∨ Solve Contributions

* What do you want to solve for?

Initial £ Regular £

* Target Amount £

£250,000

* Comfort %

50

Amount Required

-

Calculate

Update Illustration Settings

> What If Scenario

The client would need to contribute £128 a month to hit the £250,000 target based on the anticipated income (mean gain)

> Sustainable Drawdown

∨ Solve Contributions

* What do you want to solve for?

Initial £ Regular £

* Target Amount £

£250,000

* Comfort %

50

Amount Required

£128.00

Calculate

Update Illustration Settings

> What If Scenario

Click the 'Update Illustration Settings' to add the solve contribution line to the graph:

> Sustainable Drawdown

∨ Solve Contributions

* What do you want to solve for?

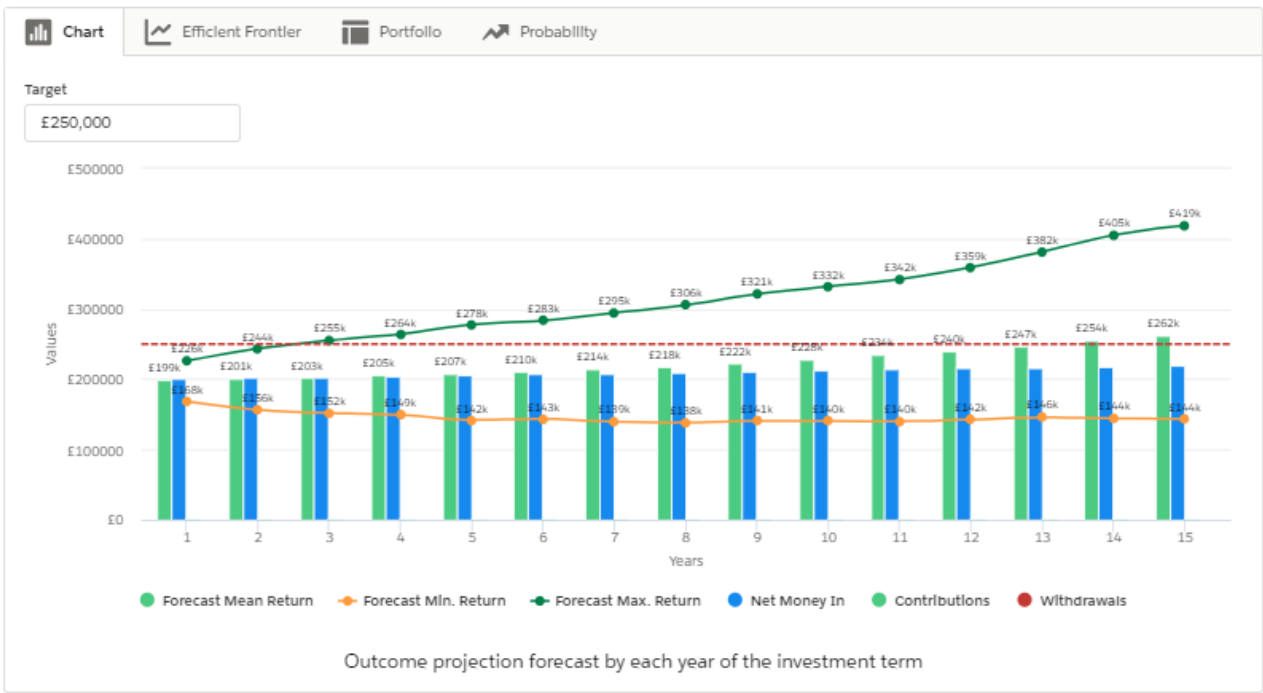
* Target Amount £

* Comfort %

Amount Required
£128.00

> What If Scenario

The graph shows the solver as a red line. It is set to hit the anticipated outcome (mean gain) target amount at the end of the 15 year term.



Outcome Summary

Total Contributions During Term
£229,857.88

Anticipated Outcome (Mean Gain)
£262,303.36 or 14.12%

Lowest Outcome (Min. Gain 5% Chance)
£143,520.00 or -37.56%

Best Outcome (Max. Gain 5% Chance)
£419,156.00 or 82.35%

Alternate Outcome

Create an Alternate Scenario to review outcome. ⓘ

You can also use the Comfort % and Target Amount in the Solve Contributions area to hit the Lowest Outcome (Min. Gain) and Best Outcome (Max. Gain). Use the Outcome Summary figures below the graph for the Target Amount for Min, Mean and Max. A lower percentage works to the Min gain figure and a higher percentage works to the Max gain figure.