

DELAYING RETIREMENT BY FIVE YEARS

The table below shows an example of the additional savings opportunity for a member, given the change in retirement age from 60 years to 65 years, especially if the member increases their contributions during this period.

Table 1: Benefit of additional savings

Additional savings if a member with R1 million savings at age 60 continues for 5 more years	If the member also increases their contributions		
	Additional savings at 3% increase in contributions	Additional savings at 4% increase in contributions	Additional savings at 5% increase in contributions
R639 000	R690 000	R708 000	R725 000
TOTAL R1,639,000	TOTAL: R1,690,000	TOTAL: R1,708,000	TOTAL: R1,725,000
<i>These are illustrative values subject to normal retirement assumptions, using R1Million savings, a salary of R250 000 at age 60, investment growth of 8% per annum and a 10% contribution rate. Your specific situation, selected investment portfolio and the actual investment performance would impact your own position.)</i>			