

Why you should start investing in your retirement today

Retirement is one of those things most people would prefer to think about “later.” However, whether we like it or not, we’ll all have to retire one day. The question is, how comfortable (financially) will you be during your retirement? Will you have enough money to last you for 10, 20 or even 30 years from the date you retire? Or, will you have to turn to your family (children or relatives) and friends for financial support? Or, are you depending entirely on SSNIT to take care of you during your retirement? At Databank, we believe you should enjoy your retirement on your own terms. Your level of comfort, however, will depend on how you prepare financially towards your goal. The charts below show how much you would need to invest on a monthly basis to achieve a particular financial goal when you retire.

Option 1: Savings account paying average of 5% per year

		Desired amount for retirement				
		GHC 100,000	GHC 250,000	GHC 500,000	GHC 750,000	GHC 1,000,000
Years left to retirement	30 years	122.64	306.61	613.21	918.82	1,226.43
	25 years	170.73	426.81	853.63	1,280.44	1,707.26
	20 years	246.42	616.06	1,232.12	1,848.18	2,464.24
	15 years	377.61	944.02	1,888.04	2,832.06	3,776.08
	10 years	647.82	1,619.56	3,239.12	4,858.67	6,478.23

Option 1: Mutual funds paying average of 15% per year

		Desired amount for retirement				
		GHC 100,000	GHC 250,000	GHC 500,000	GHC 750,000	GHC 1,000,000
Years left to retirement	30 years	17.96	44.91	89.82	134.73	179.64
	25 years	36.70	91.76	183.51	275.27	367.02
	20 years	76.24	190.59	381.18	571.77	762.37
	15 years	164.14	410.35	820.71	1,231.06	1,641.42
	10 years	384.66	961.64	1,923.28	2,884.92	3,846.56

Key takeaways:

- 1. Start early and be consistent.** The earlier you start investing, the less you will need to invest on a monthly basis to achieve your goal.
- 2. Put your money to work for you.** Your money will grow more quickly in a mutual fund investment than a traditional savings account.
- 3. Choose the right investment partner.** Choosing the right partner is about more than just returns. It’s also about how long the company has been in business, the experience of the people managing your money, and whether the company has been able to consistently deliver on its performance – not just over 3 months, or 6 months or even a year.

Investing toward your retirement is a serious matter. Don’t leave your retirement to chance.

Invest wisely. Invest with Databank.

Average annual returns for Databank’s mutual funds since inception (as at Dec 31st, 2017)						
	MFund	ArkFund	BFund	EdIFund, T1	EdIFund, T2	Epack
Start date	Apr 2004	July 2009	Jan 2008	Oct 2014	Oct 2014	Oct 1996
Avg. annual return	19.74	22.59	21.49	21.39	20.67	32.09



Use our Retirement Checklist to know exactly how much you will need for your retirement. Available at www.databankgroup.com