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Road to Retirement Newsletter

OUR MONTHLY GUIDE TO EVERY MILEPOST, JUNCTION,
AND LANDMARK ON YOUR ROAD TO RETIREMENT

What's On Our Minds This Month

Do you remember being a kid during summer vacation? Sometimes, you and your friends would have all sorts of plans. You'd spend your days riding bikes, playing games, and licking popsicles under the shade of your favorite tree.

But there would be times when the weather was bad. When all your friends were off on family vacations. When you felt like you'd already gone everywhere on your bike, all the games had been played, and you were just a little bit sick of popsicles.

On those days, maybe you'd stare out the window and think, "Now what?"

In our experience, retirement is a lot like summer vacation. There are all sorts of things to do and enjoy! But sometimes, the shock of not working can also lead people to ask themselves, "I'm retired – now what?"

When it comes to retirement planning, it's important to spend a good deal of time on financial issues. But retirement planning is about more than just finances. It's about quality of life, too.

Over the next few issues of *The Road to Retirement*, we're going to explore the question of "Now what?" The decisions to make and the opportunities to consider in the immediate aftermath of retirement to ensure a smooth transition...and a high quality of life!

This month, we're going to look at three simple, "quality of life"-oriented questions to ask yourself *before* retirement. (I'll keep the issue short, because, hey, it's summer!)

Have a great month! Enjoy summer!

What's Around the Bend: Who Will I Spend Time With in Retirement?

Human beings are social creatures. The company we keep and the people who participate in our social circles, play a huge part in making our lives fulfilling, interesting, and stable. That's true of both friends and coworkers. Friends often share our interests, hobbies, and ambitions. Coworkers, meanwhile, face the same pressures and challenges, which can form a powerful bond.

Retirement, however, can put a strain on these bonds. Retirement means no longer seeing your coworkers every day. And since many retirees often move to a new home, or spend much of their time traveling, it's not uncommon for friends to start seeing less and less of each other, too.

But there's never a point where we grow too old for friendship.

That's why an important part of retirement planning is deciding *who* you want to spend your time with and *when* that time will be spent. In some cases, it may mean looking for new communities or groups to join, especially if you plan on moving. By doing this, you are essentially securing a rich, fulfilling retirement for yourself—in a way that doesn't depend on money! *Failing* to do this, on the other hand, can lead to a retirement with a lot of free time ... but also a lot of loneliness.

My advice is to start thinking *now* about who you want to spend time with in retirement. Which friends will you be able to count on to share in your favorite activities? What family members do you want to visit? Who do you want to reconnect with? Then, start spending more time with them *now*. Develop a habit of seeing them, chatting with them on the phone, inviting them to fun activities. By doing that, you will be deepening relationships...and ensuring those relationships extend *into* retirement.

It's one of the surest ways to enjoy retirement.

QUOTES WE'VE BEEN THINKING ABOUT

"Trade money for time, not time for money. You're going to run out of time first."
— Naval Ravikant

What's Over the Next Hill: What Do I Want to Improve on in Retirement?

It's been said that no one truly grows old until they start thinking about yesterday more than tomorrow. While physical growth stops once you reach adulthood, *personal* growth doesn't ever have to end.

If you think about it, "life" is essentially a finite resource. Because it's finite, that means it can be measured in how well we *use* that resource. But the thing about resources is that they become worthless if unused. Money isn't much good if it never leaves the piggy bank. Food turns rotten if left uneaten. And life becomes empty if we don't use it to progress and grow.

To prevent that from happening, start determining now how *you* want to keep growing. What skills do you want to learn or refine? What obstacles do you want to overcome? What milestones do you want to reach? While it's nice to imagine a retirement spent lounging on a hammock, many people find that gets old rather quickly.

But becoming *more* than what you already are never does.

To us, that's the most wonderful thing about retirement. Suddenly, you have the *time* to learn those skills or reach those milestones. You see, time is another finite resource. But retirement gives you a blank check on that resource that you can cash in however you want.

Most people think of places they want to see in retirement, and activities they want to focus on. But don't neglect making a list of what you want to *improve on* or get *better at*. While most people are happy to ditch the daily grind once they retire, one thing you should not give up on is *the chase*. The chase for a better life. The chase to be a better you.

This is the way to keep growing in retirement. And a retirement spent growing means a retiree who never ever gets old.

FUN FINANCIAL FACT

The California Gold Rush started in 1848 when James Marshall found flakes of gold in the American River. News spread rapidly, prompting roughly 300,000 prospectors to flock to California from all over the world.

Not every prospect would strike gold, but if you were a merchant who catered to miners, business was booming! From workwear entrepreneurs to saloon owners, merchants who provided the goods and services that prospectors needed made out like bandits. It paid to follow the gold frenzy. [In fact, recent studies have found that merchants made far more money during the Gold Rush than the miners did!](#)

What's on the Horizon: How Will I Get Groceries?

This is a question you may not have to answer for many, many years...but the sooner you do, the more peace of mind you'll have.

These days, people are living longer than ever—and there's every reason to believe that trend will continue. But eventually, everyone finds themselves slowing down. Many of the activities that once were easy become hard. Take the simple act of getting groceries. Once a week, you get in your car, drive to the store, pick a shopping cart, and stroll the aisles looking for the various foods you want to eat. You've done it for years, and probably have never given it a second thought.

Unfortunately, the day will come when this once-simple act will require a lot of thought. For example, imagine that you're 85 or older. Will you still be able to drive? Will you still have the energy to push the cart or put away the groceries when you get home? What if it's snowing outside?

Now imagine some of the other activities you take for granted, like changing the lightbulbs, mowing the lawn, or shoveling the sidewalk. Eventually, you may not be able to do these things by yourself.

It's not a pleasant thing to think about, but that's exactly why it deserves careful thought. Sadly, I have known retirees who didn't plan for the inevitable. As a result, the basic demands of life become stressful and scary. That leads to a lower quality of life.

The good news is that by planning now, you can determine where you will get help in your advanced years and how to pay for it if necessary. That way, you'll never have to worry about getting groceries, or keeping your home in order. All you'll have to do is follow the plan.

After all, who wants to spend their golden years worrying?

As you can see, retirement planning is about more than just money. It's about quality of life. You've worked hard to be able to retire one day, so you owe it to yourself to make sure the transition into retirement is as fulfilling and stress-free as possible.

Take some time to think about these questions. Remember, time and life are both finite resources. By spending a little bit of those resources now, you can get the most out of them forever.

Watching the Weather: Market Conditions on the Road to Retirement

After a bumpy April, the markets rebounded in May. This was largely thanks to continued excitement over a handful of AI-related companies, as well as modest signs of improvement in the battle over inflation.

Inflation reports showed that prices in April increased by only 0.3% compared to March.¹ This was slightly lower than what economists had forecasted. That gave life to investors, who have been waiting for any hopeful signs that the Federal Reserve might lower interest rates sometime this year.

However, rising treasury yields suggested that many investors still expect rates to remain elevated for some time. That put a damper on the market's momentum toward the end of the month.

What We're Keeping an Eye on in June and Beyond

Recently, major retailers like Target, Walmart, and others have announced price drops on many of their goods, especially groceries.² That's certain to be cheered by consumers, who have been feeling the pinch of inflation and tamped down on unnecessary spending. Investors will be watching closely to see if other retailers follow suit...and if such moves are reflective of cooling inflation as the weather heats up.

As always, my team will continue monitoring everything on our end so you can focus on enjoying the summer. Have a great month!

¹ "CPI report shows inflation easing in April," CNBC, <https://www.cnbc.com/2024/05/15/cpi-inflation-april-2024-consumer-prices-rose-0point3percent-in-april.html>

² "Walmart, Target, Amazon, Aldi cut prices," Fox Business, <https://www.foxbusiness.com/lifestyle/walmart-target-amazon-aldi-cut-prices-good-news>