



Increasing Income Annuity

Prepared for: Mr and Mrs Client on 10/28/2024

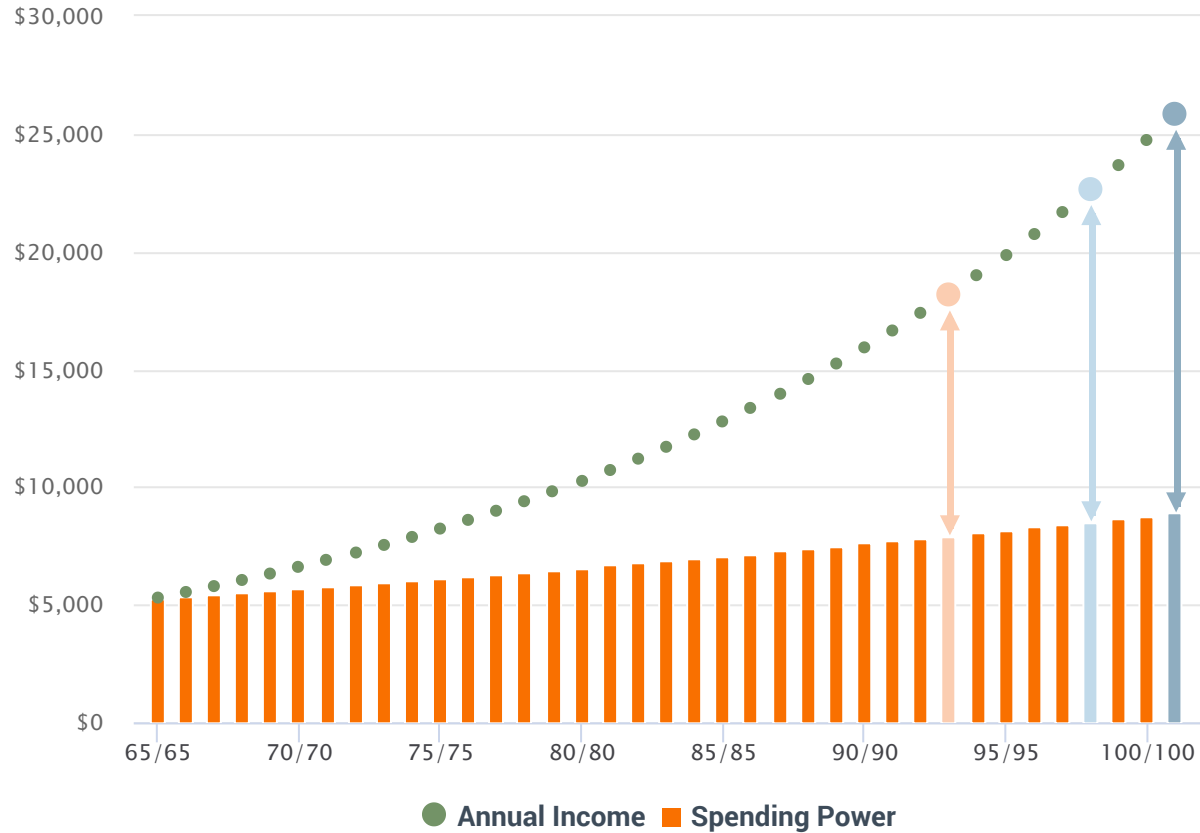
Inflation

Prepared by: DR Slater (advisor)

Year	Ages	Annual Income	Assumed Inflation	Inflation Impact	Spending Power
1	65/65	\$5,300	3.00%	0%	\$5,300
2	66/66	\$5,538	3.00%	-3%	\$5,377
3	67/67	\$5,788	3.00%	-6%	\$5,456
4	68/68	\$6,048	3.00%	-8%	\$5,535
5	69/69	\$6,320	3.00%	-11%	\$5,615
6	70/70	\$6,605	3.00%	-14%	\$5,698
7	71/71	\$6,902	3.00%	-16%	\$5,780
8	72/72	\$7,213	3.00%	-19%	\$5,865
9	73/73	\$7,537	3.00%	-21%	\$5,950
10	74/74	\$7,876	3.00%	-23%	\$6,036
11	75/75	\$8,231	3.00%	-26%	\$6,125
12	76/76	\$8,601	3.00%	-28%	\$6,214
13	77/77	\$8,988	3.00%	-30%	\$6,304
14	78/78	\$9,393	3.00%	-32%	\$6,396
15	79/79	\$9,815	3.00%	-34%	\$6,489
16	80/80	\$10,257	3.00%	-36%	\$6,584
17	81/81	\$10,719	3.00%	-38%	\$6,680
18	82/82	\$11,201	3.00%	-39%	\$6,777
19	83/83	\$11,705	3.00%	-41%	\$6,875
20	84/84	\$12,232	3.00%	-43%	\$6,976
21	85/85	\$12,782	3.00%	-45%	\$7,077
22	86/86	\$13,357	3.00%	-46%	\$7,180
23	87/87	\$13,958	3.00%	-48%	\$7,285
24	88/88	\$14,586	3.00%	-49%	\$7,391
25	89/89	\$15,243	3.00%	-51%	\$7,499
26	90/90	\$15,929	3.00%	-52%	\$7,608
27	91/91	\$16,646	3.00%	-54%	\$7,719
28	92/92	\$17,395	3.00%	-55%	\$7,831
29	93/93	\$18,177	3.00%	-56%	\$7,945
30	94/94	\$18,995	3.00%	-58%	\$8,060
31	95/95	\$19,850	3.00%	-59%	\$8,178
32	96/96	\$20,743	3.00%	-60%	\$8,297
33	97/97	\$21,677	3.00%	-61%	\$8,418
34	98/98	\$22,652	3.00%	-62%	\$8,540
35	99/99	\$23,672	3.00%	-63%	\$8,665
36	100/100	\$24,737	3.00%	-64%	\$8,791
37	101/101	\$25,850	3.00%	-65%	\$8,919
Total:		\$482,518			\$257,435

Inflation's Impact on Spending Power

The impact of inflation can reduce your future spending power. Compound interest is working against you. It has a small impact year by year, but over the long term it significantly reduces what your income can buy.



At ages 93/93, your income is \$18,177, but due to inflation, it has reduced its spending power by -56% to \$7,945

At ages 98/98, your income is \$22,652, but due to inflation, it has reduced its spending power by -62% to \$8,540

At ages 101/101, your income is \$25,850, but due to inflation, it has reduced its spending power by -65% to \$8,919

Annual inflation has averaged 6.75% since 2020, 2.5% since 2000, and 4.0% since 1970.

Source: Annual CPI-U, US Department of Labor, www.bls.gov/cpi