

# Retirement Income (Bucket) Strategy:

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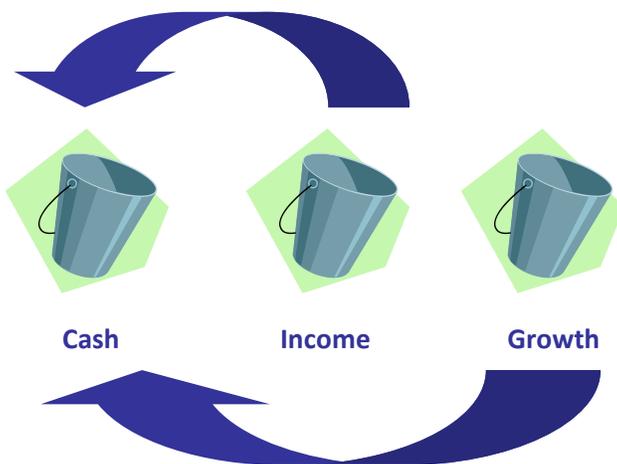
The 'Bucket Strategy' approach is designed to ensure you have enough income to support your pension payments throughout all investment cycles, without the need to sell investments at the bottom of the market.

Your portfolio will still be diversified across all asset classes in-line with your investment objectives, however, your portfolio is made up of three buckets: cash, income and growth.

The 'cash bucket' will hold enough cash (this may include term deposits) to fund your immediate cash needs, such as two years of pension payments or super withdrawals.

The 'income bucket' consists of predominantly income producing investments, such as term deposits and fixed interest securities or fixed interest funds. The interest received from the investments in this bucket, as well as the original amount invested, is used to top up the cash bucket.

The 'growth bucket' consists of growth investments such as Australian and international share investments, property investments and alternative investments. Distributions received from the investments in this bucket are used to top up the cash bucket.



All bucket levels are reviewed each time your portfolio is reviewed and adjusted accordingly. This provides the ability to make adjustments to each asset and the overall bucket allocations when economic conditions are favourable.

The benefits of this strategy are that you have certainty over your short to medium term income and the ability for your portfolio to keep pace with inflation or even grow.

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**CFL Financial Planning**  
Level 15, 10 Market Street  
Brisbane  
QLD 4000  
Ph:07 3328 8988  
service@cflfinancial.com.au