

**Kyunki Retirement ke liye
koi loan nahi hota***



*Conventional loans are not available for retirement

Retirement is the only financial goal for which you do not get a conventional loan

Financial Goals of an Individual



BUYING A CAR



BUYING A HOUSE



CHILD EDUCATION



RETIREMENT

Required Amount	Available Amount	Deficit	Loan Availability
Rs. 10 Lakhs	Rs. 8 Lakhs	(Rs. 2 Lakhs)	Yes
Rs. 1 Cr	Rs. 70 Lakhs	(Rs. 30 Lakhs)	Yes
Rs. 20 Lakhs	Rs. 15 Lakhs	(Rs. 5 Lakhs)	Yes
Rs. 3 Cr	Rs. 1.7 Cr	(Rs. 1.3 Cr)	NO*

*Reverse mortgage loans may be used to fund retirement expenses. The above-mentioned table is used to explain the concept and illustration purpose only.

Longevity Risk: How long will you live?

01 India's Life Expectancy has been trending upward. It is anticipated to reach 80 years*

02 Living longer is a challenge for the current generation much more so for the younger generation.

03 People should **PRIORITIZE** savings for their retirement and additionally, open a retirement account for their children for comfortable retirement.

~26% of people don't want to be dependent on their children - (PGIM India 2020 survey)

Old India



Low income



Long work span



High Job Security



Lower Life Expectancy



Large Families

New India



High income



Short work span



Low Job Security



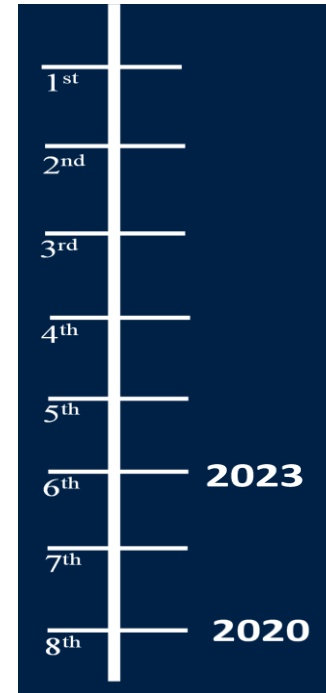
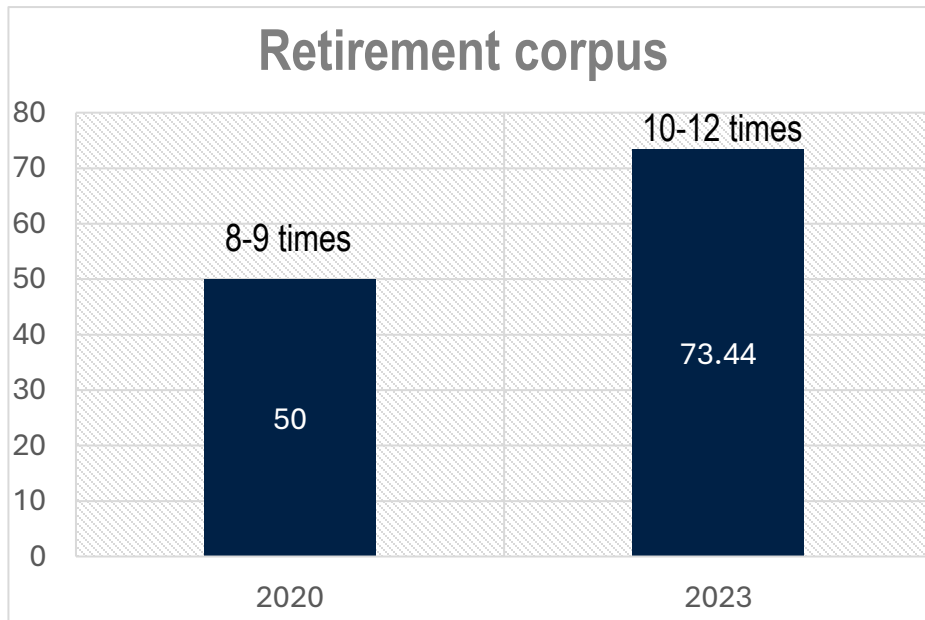
Higher Life Expectancy



Nuclear Families

The Survey suggests Indians are now more aware of planning for Retirement

Indians believe they require 10-12 times of their current annual income for their retirement corpus.

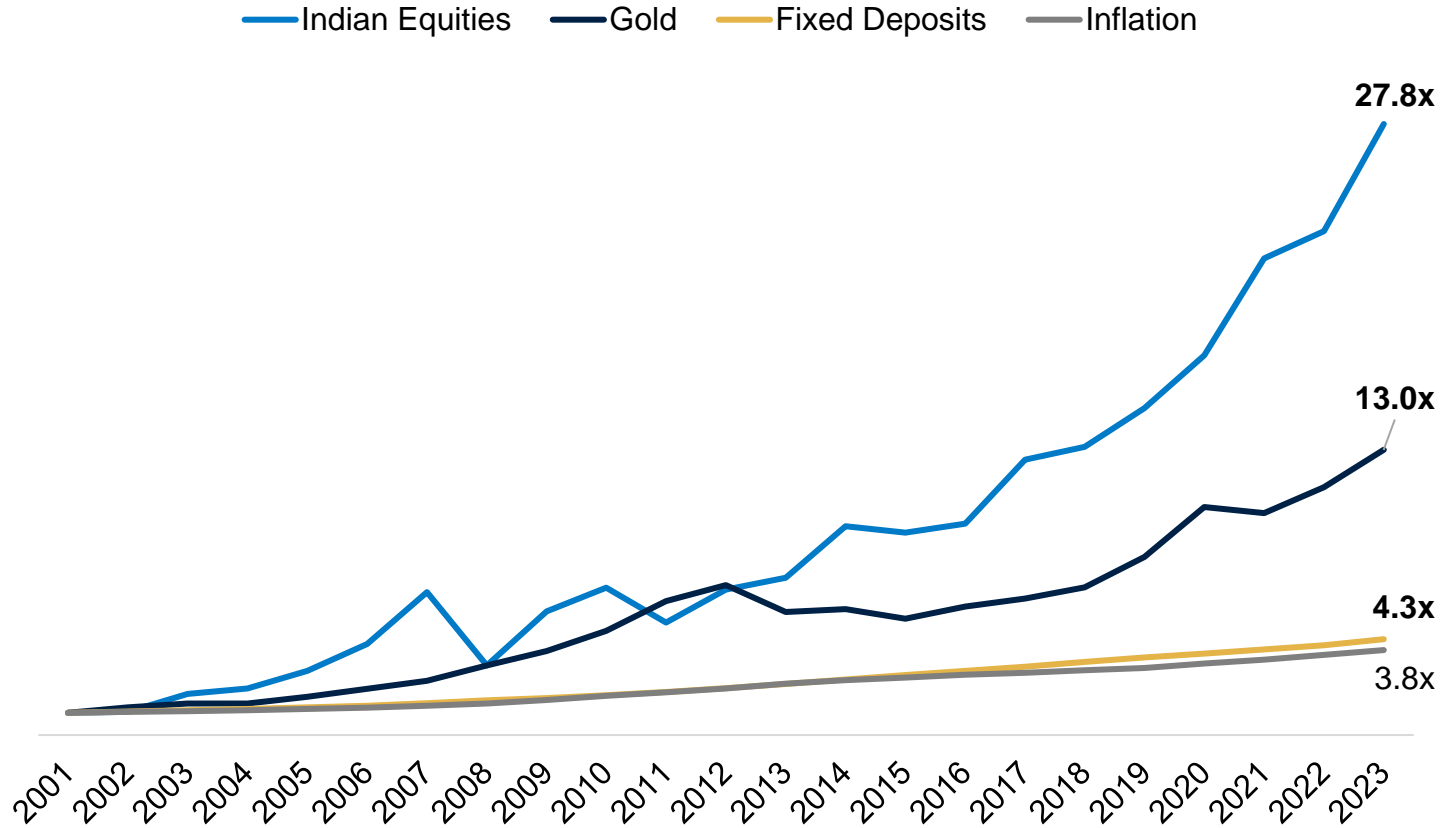


In 2023, retirement has climbed the ladder of financial priorities and has moved to 6th position in the list of financial priorities from 8th in the 2020 survey.

~44% of participants surveyed have been found to generate secondary income from their unique skills to manage their goals and priorities

2/3rd of the participants surveyed have approached insurance agents for advice on Retirement goals

Why are Equities the asset class for saving for Retirement goals?



Person A



Rs.100 invested in Equities became Rs.2,780

Person B



Rs.100 invested in Gold became Rs.1,300

Person C



Rs.100 invested in Fixed Deposits became Rs.430

Benefits of a fund labelled 'Retirement'

One Jar for all the savings



Separate Jars for different financial goals



Benefits

Clarity & Focus

Discipline & Commitment

Visual Progress

Emotional Security

Renew, Recharge But Never Retire

Introducing

PGIM INDIA

RETIREMENT FUND

(An open ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier))

NFO Opens: 26th March, 2024

NFO Closes: 9th April, 2024



Scheme Name	PGIM India Retirement Fund
Type of scheme	An open-ended retirement solution-oriented scheme having a lock-in of 5 years or till retirement age(whichever is earlier)
Investment objective	The investment objective of the scheme is to provide capital appreciation and income to investors in line with their retirement goals by investing in a mix of securities comprising of equity, equity-related instruments, REITs and InvITs, and fixed-income securities. However, there is no assurance that the investment objective of the scheme will be achieved. The Scheme does not guarantee/ indicate any returns.
Plan / Options	Growth & IDCW Payout option
Minimum Application Amount	Initial Purchase/Switch-in - Minimum of Rs. 5,000/- and in multiples of Re. 1/-thereafter. Additional Purchase - Minimum of Rs. 1,000/- and in multiples of Re. 1/-thereafter. For SIPs - Minimum no. of 5 installments and Minimum amount per installment - Rs. 1,000/- each and in multiples of Rs.1/- thereafter.
Compulsory lock in period	PGIM India Retirement Fund is categorized as an open ended retirement solution oriented fund. The Scheme shall have a compulsory lock-in period of 5 years or till retirement age of 60 years, whichever is earlier. The lock in period is also applicable when investor moves out of the PGIM India Retirement Fund to any other scheme within the fund house, before the mandatory lock in period of 5 years or retirement age, whichever is earlier. Transfer-out of the scheme shall be allowed subject to 5 years lock in period from the date of allotment of units or attainment of retirement age of 60 years, whichever is earlier), subject to exit load, if any.
Fund Manager	Mr. Vinay Paharia (Equity Portion) Mr. Puneet Pal (Debt Portion)
Benchmark Index	S&P BSE 500 TRI

Benefits of 5-year lock-in period in Equities: Rolling Returns of S&P BSE 500 TRI

Rolling Returns	1 year	3 years	5 years	10 years
Average	15%	13%	12%	12%
Maximum	130%	34%	24%	19%
Minimum	-60%	-6%	-1%	5%
Returns Range	% of total observations			
Less than 0%	22%	4%	1%	0%
Less than 7%	39%	23%	17%	2%
Greater than 7%	61%	77%	83%	98%
Greater than 10%	53%	66%	67%	77%
Total Observations	4,111	3,620	3,119	1,881

Historically, the longer the time frame, the lesser the likelihood of negative returns and more is the likelihood of positive returns

Key Features: Why should one have exposure across the market caps?

Winners keep changing

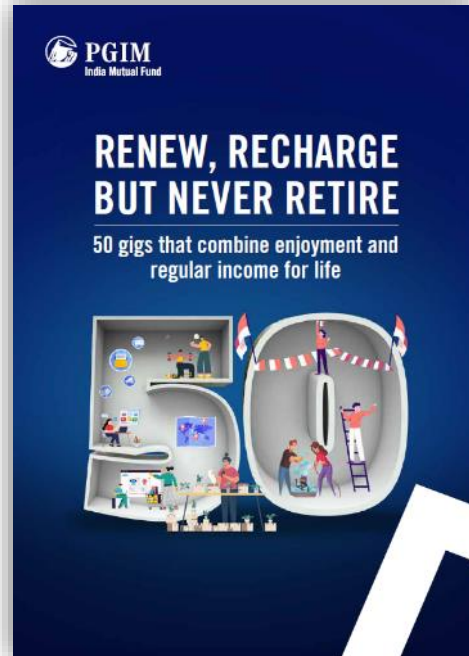
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Market Capitalizations	LC 40.2%	SC 97.4%	LC -53.1%	SC 117.4%	MC 20.1%	LC -24.9%	MC 46.7%	LC 7.9%	SC 71.7%	SC 11.3%	MC 6.5%	SC 58.5%	LC 2.6%	LC 11.8%	SC 26.5%	SC 63.3%	LC 4.9%	SC 49.1%
	SC 32.9%	MC 78.2%	MC -64.9%	MC 113.9%	LC 19.3%	MC -31.0%	SC 40.4%	MC -1.3%	MC 62.7%	MC 9.7%	LC 5.0%	MC 55.7%	MC -12.6%	MC 0.6%	MC 25.6%	MC 48.2%	MC 3.9%	MC 44.6%
	MC 28.5%	LC 59.5%	SC -68.6%	LC 84.9%	SC 17.6%	SC -35.1%	LC 32.5%	SC -6.4%	LC 34.9%	LC -1.3%	SC 1.4%	LC 32.9%	SC -26.1%	SC -7.3%	LC 16.1%	LC 26.4%	SC -2.6%	LC 21.2%

Color Legend	LC – Large Caps	Nifty 100 TRI
	MC – Midcaps	Nifty Midcap 150 TRI
	SC - Smallcaps	Nifty Smallcap 250 TRI

- No single market capitalization consistently outperforms others
- Opting for across market capitalization strategy may mitigate risk and provide leeway for a fund manager to take exposure to all the market capitalizations

The fund strategy will have a minimum allocation of 25% each to Large, Mid, and Small caps.

Our extensive work in building retirement readiness among Indians



- 01** PGIM India publishes a Retirement Readiness Survey every 2 years.
- 02** PGIM India also recently released the 50 Gigs report that showcases ideas for secondary income.
- 03** PGIM India along with its partnership with CIEL offers Retirement Readiness Certificate for channel partners.

Combine enjoyment and regular income for life

What you can learn
and become

Its scope

What all you
can enjoy



How much will it cost
you, if you decide to
learn?

What you need to do
to become one of
them

The Power of Monetizing Secondary Skills: A Holistic Perspective

Holistic benefits of a secondary skill that can be monetized:-

1

Discovering and honing a secondary skill can provide a sense of fulfilment and joy, leading to reduced stress levels and positive mental health benefits.

2

Regularly engaging in purposeful work that utilizes a secondary skill can promote an active and healthy lifestyle.

3

The process of learning and practicing a secondary skill can enhance cognitive abilities and stimulate personal growth and development.

4

The additional income generated from monetizing a secondary skill can contribute to sustainable wealth creation through wise investment in assets.

5

Utilizing a secondary skill can create opportunities for personal and professional networking, expanding social connections and potential collaborations.

Roadmap to Retirement Planning: Three Essential Steps



Prioritize Retirement for you & your children

- Retirement planning is essential, and it's never too early to start.
- Make saving for your retirement a priority and consider saving for your children's retirement to secure their financial future.



Monetize a secondary skill

- Explore your passions and interests to discover a secondary skill that brings you joy.
- Develop a skill that can be monetized to generate additional income and promote a healthy & active lifestyle.



Hold a Diversified Portfolio for Your Retirement Goal

- Diversify your portfolio across different asset classes and different market capitalizations within equities.
- Seek professional advice to design an investment strategy aligned with your retirement goals.

“Your parents are not your emergency fund, your children are not your retirement fund

Build your retirement corpus to retire peacefully

-Jeff Bezos”

Start Early for Retirement

01



Hold a diversified Portfolio

03



Account for Inflation

05



02

Developing a skill and monetizing it



04

Retirement Fund enforces discipline



Annexure

Bucketing Retirement Savings Strategy

Accumulated corpus: 2.1 Cr

Monthly withdrawal: 1 lakh @ 6% inflation

Accumulated corpus: 2.1 Cr

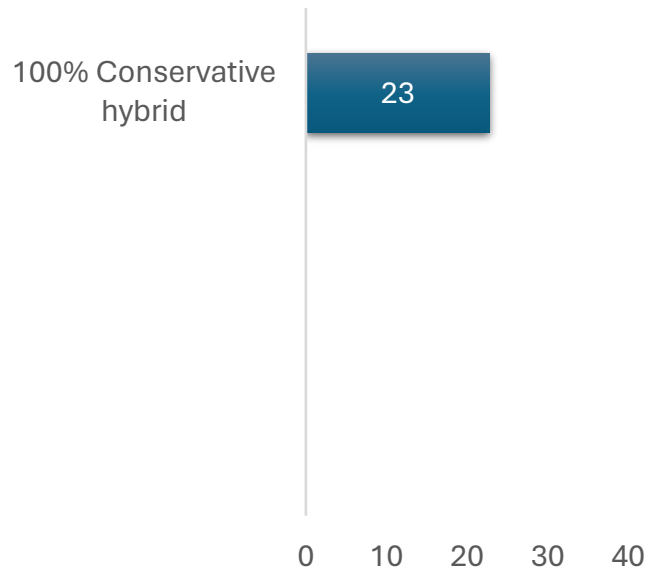
Monthly withdrawal: 1 lakh @ 6% inflation

Accumulated corpus: 1.5 Cr

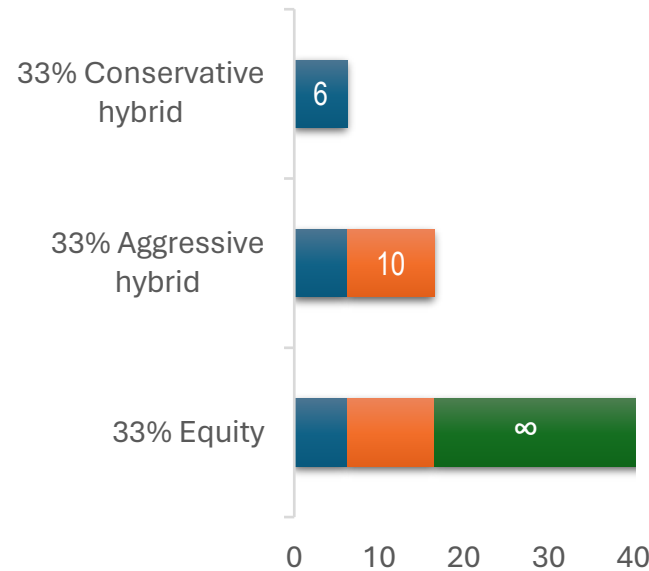
Monthly withdrawal: 1 lakh @ 6% inflation

Gig income: 30K pm growing @ 6% annually-15 years

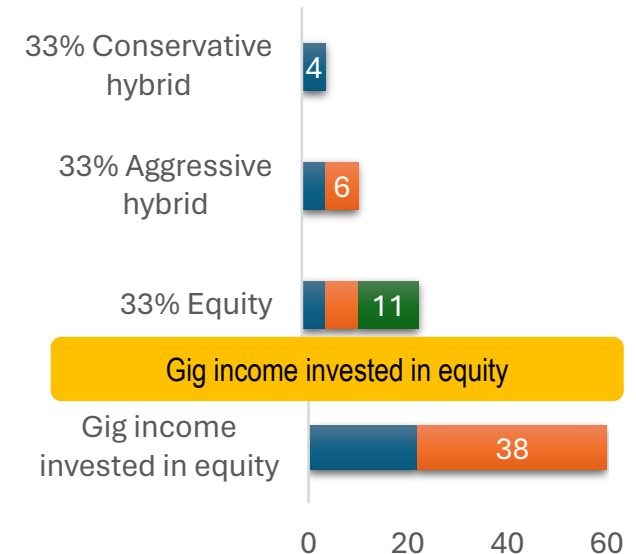
Corpus will last 23 years



Corpus unlikely to run out



Corpus will last 59 years



Challenges and complexities of Reverse Mortgage Loan

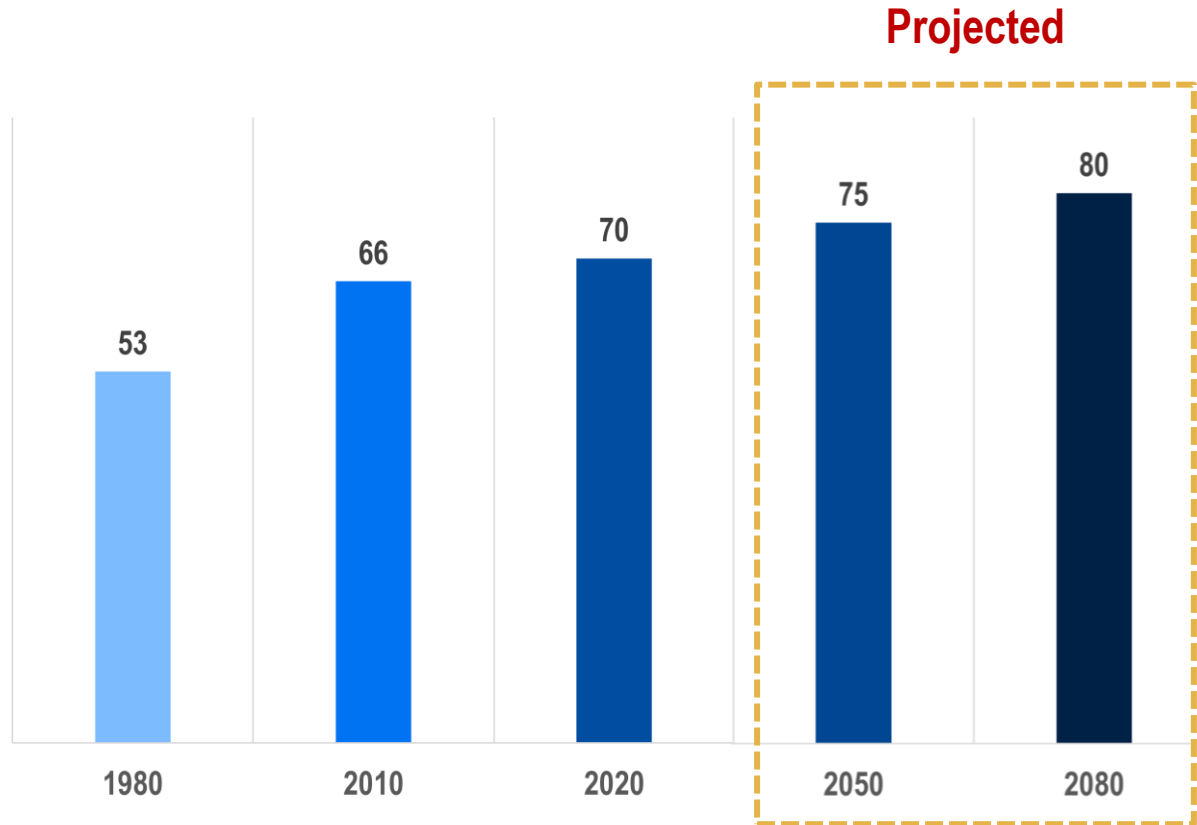
Nuances in eligibility criteria for Reverse Mortgage Loan

- 01** Minimum age of individual opting for a reverse mortgage loan should be 60 years.
- 02** The property must be owned by you, not rented, and you should use it as your primary residence.
- 03** The property used to obtain the loan must be your primary self-occupied residence for at least the past 1 year.

Limitations of Reverse Mortgage Loan

- 01** A reverse mortgage loan cannot be taken on a commercial property.
- 02** Fixed payouts (No option to adjust it with inflation)
- 03** The maximum lump sum payout offered is restricted to 50% of the total eligible loan amount up to a maximum of Rs. 15 lakh.
- 04** Expenses and Charges are Payable by the Borrower and prior permission is required for property changes.

Higher Life Expectancy: Will your money last as long?






Modern medicine and improved living conditions have led to a considerable rise in life expectancy.

Retirement life has increased as a result, necessitating the provision of an exclusive retirement corpus to cover sunset years.

This illustrates how retirement planning is greatly impacted by a longer life expectancy, requiring a larger financial cushion to cover additional years of sustenance.

Inflation: A light at the end of the tunnel? Or an upcoming train?



Consumption Items	1960/70s	2024
 5 litres of Petrol	Rs. 3.60	Rs. 531
 Movie Ticket	Rs. 3	Rs. 320
 2 Masala Dosas & 2 cups of coffee	Rs. 2.16	Rs. 300

“Inflation is taxation without legislation”
Milton Friedman

Riskometer and Important Disclosures

PGIM India Retirement Fund

(An open ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier))

This product is suitable for investors who are seeking*		
<ul style="list-style-type: none">Long term capital appreciationInvestment predominantly in equity and equity related instruments	Scheme Riskometer	Benchmark Riskometer
	 <p>RISKOMETER Very High – Investors understand that their principal will be at very high risk</p>	 <p>RISKOMETER Benchmark riskometer is at very high risk S&P BSE 500 Index (TRI)^</p>

The Product labelling assigned during the NFO is based on an internal assessment of the scheme characteristics or model portfolio and the same may vary post-NFO when actual investments are made.

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Thank You

