

Changing return rates for a specific asset

NaviPlan Standard allows you to change the return rates for a specific asset, even though you may have selected a particular investment objective for the entire plan.

Under the *Assumptions* category – the *Return Rates* tab allows you to identify which best reflects your clients' investment objective for pre-retirement and retirement.

New Plan (2005) Settings

Risk Profile | Milestones | Historical Data | Tax | Asset Classes | **Return Rates** | Inflation

Pre-Retirement | Retirement

Investment Objective: **Balanced**

	Total Pct	Interest	Dividends	Capital Gains	Deferred Growth	Std. Deviation
Non-Registered Assets						
Mutual Funds	8.00%	0.00%	3.00%	3.00%	2.00%	0.00%
Investment Portfolio	8.00%	0.00%	3.00%	3.00%	2.00%	0.00%
GIC Portfolio	5.00%	5.00%				0.00%
Stock Portfolio	8.00%		3.00%	3.00%	2.00%	0.00%
Bond Portfolio	8.00%	3.00%		3.00%	2.00%	0.00%
T-Bill Portfolio	5.00%	5.00%				0.00%
Cash Account	2.00%	2.00%				0.00%
Other Assets						
Lifestyle	2.00%				2.00%	0.00%

Use default return rates based on asset type for setting asset return rates

<< Back Next >> Cancel OK

Once you select a particular Investment Objective, the values in the table will reflect the average return rates that an investment type may potentially earn, and each asset that you enter into the plan for the client will utilize the corresponding return rates.

The screenshot shows the 'Investment Portfolio Asset' dialog box. The 'Return Rates' section has the 'override' checkbox unchecked. The return rates are as follows:

	Pre-Retirement	Retirement
Interest:	0.00%	0.00%
Dividends:	3.00%	3.00%
Capital Gains:	3.00%	3.00%
Deferred Growth:	2.00%	2.00%
Total Return:	8.00%	8.00%
Standard Deviation:	0.00%	0.00%

However, if an asset is expected to earn values other than those specified in the Investment Objective, you may override the return rates by selecting the override option under Return Rates, and enter the new return rate manually.

The screenshot shows the 'Investment Portfolio Asset' dialog box with the 'override' checkbox checked. The return rates are as follows:

	Pre-Retirement	Retirement
Interest:	0.00%	0.00%
Dividends:	3.00%	3.00%
Capital Gains:	3.00%	3.00%
Deferred Growth:	2.00%	2.00%
Total Return:	8.00%	8.00%
Standard Deviation:	0.00%	0.00%