



INVEST BETTER with BRENTHURST

IN THIS ISSUE

Retiring during a market crash can be daunting, but maintaining a steady, long-term investment approach is crucial. Key strategies include safeguarding income sources, resisting panic-driven decisions and focusing on growth opportunities to ensure financial stability in retirement.

WHAT TO DO WHEN YOU ARE RETIRING SOON AND THE MARKETS JUST CRASHED

MARIA SMIT, CERTIFIED FINANCIAL PLANNER®, BRENTHURST PRETORIA

Retiring into a market crash can feel like hitting turbulence just as your plane takes off. After years of disciplined saving and careful planning, watching your portfolio drop in value during the final stretch is deeply unsettling. You're not alone in your concern.

According to the [2025 Allianz Life Retirement Study](#), 64% of Americans now say they fear running out of money during retirement more than death itself. This fear is compounded by rising inflation, tax uncertainty and anxiety over the long-term reliability of Social Security.

BUT HERE'S THE MOST IMPORTANT TRUTH:

A market crash at retirement is not the end of your retirement plan. It just means that the next steps matter more than ever.

BUILD A BUFFER, BUT KEEP GROWING

Set aside 1–3 years of income in conservative income funds or money market accounts.

Keep the rest invested in a diversified portfolio with enough growth exposure to fight inflation and support long-term income.



INVESTING WITH SA'S
LEADING BOUTIQUE WEALTH MANAGER
WINNER 2020 & 2017 | RUNNER-UP 2023 & 2018
TOP 3 2022 & 2021 | TOP 4 2019
RANKED AMONGST THE TOP WEALTH MANAGERS FOR 7 CONSECUTIVE YEARS

JHB (HQ)	+27 (0) 11 799 8100
JHB (SANDTON)	+27 (0) 10 035 1391
PTA	+27 (0) 12 347 8240
CAPE TOWN	+27 (0) 21 418 1236
BELLVILLE	+27 (0) 21 914 9646
CLAREMONT	+27 (0) 21 100 3901
STELLENBOSCH	+27 (0) 21 882 8706
PAARL (VAL DE VIE)	+27 (0) 21 100 3901
GEORGE	+27 (0) 44 050 6057
MAURITIUS	+ 230 5843 5215

STAY CALM AND DON'T CASH OUT

The worst thing you can do now is panic and sell. Locking in losses during a downturn can irreversibly damage your long-term wealth. History shows that markets often recover swiftly and missing just a few of the best recovery days can significantly reduce your portfolio's future value. Staying invested, with the right strategy, is still your best path forward.

UNDERSTAND YOUR TIME HORIZON: IT IS LIKELY 30 YEARS, NOT THREE YEARS

One of the biggest misconceptions at retirement is thinking you need to get “out of the market” and into cash. But even though you're retiring now, you may need this money to last 25–30 years. That means you cannot afford to abandon long-term growth assets entirely.

Putting everything into money market funds might feel safe, but it exposes you to a different risk: longevity risk, the risk of outliving your savings. In a low-interest-rate environment, returns from cash and money markets often fail to beat inflation over time, eroding your purchasing power just when you need it most.

BUILD A BUFFER, BUT KEEP GROWING

What you *can* do is build a short-term buffer:

- Set aside 1–3 years of income in conservative income funds or money market accounts.
- Keep the rest invested in a diversified portfolio with enough growth exposure to fight inflation and support long-term income.

This “**bucket strategy**” allows you to cover your immediate needs without having to sell depressed investments. It also gives your growth assets time to recover – something history shows they tend to do, especially after sharp downturns.

REVIEW YOUR WITHDRAWAL STRATEGY

If you're already drawing income from a living annuity or investment portfolio, now is the time to revisit your drawdown rate. Can you temporarily reduce your withdrawals? Can certain expenses be delayed? These small adjustments can significantly increase the sustainability of your plan.

Delaying withdrawals from equities and instead drawing from more stable sources, such as income funds, can help preserve your portfolio's long-term health.

DON'T FORGET DIVERSIFICATION AND LIFETIME INCOME

In times of uncertainty, income-focused investments and guaranteed income products become more valuable. Diversified portfolios that include income funds, dividend-paying stocks, or fixed index annuities can provide needed stability without giving up on returns altogether.



Diversification

MOST IMPORTANT: GET PROFESSIONAL ADVICE

A financial planner can:

- Stress-test your portfolio against future volatility
- Recommend changes to ensure income sustainability
- Identify hidden risks like tax drag or estate inefficiencies
- Help you stay disciplined and invested with confidence

A CRASH IS A MOMENT AND RETIREMENT IS A JOURNEY

It's natural to feel unnerved when the markets fall, but retirement is not a single moment, it's a multi-decade journey. The decisions you make in the first 1–2 years set the tone for how well your plan holds up over the next 20–30 years.

Stay the course. Rebalance when the time is right. Protect your cash flow, but keep your long-term money working for you. With the right advice and perspective, you can retire with confidence, even in a bear market.



MARIA SMIT, CERTIFIED FINANCIAL PLANNER®, BRENTHURST PRETORIA

MARIA is a CERTIFIED FINANCIAL PLANNER® professional, a member of the Financial Planning Institute of SA and is fully qualified to give advice on all investment matters. She joined Brenthurst Wealth in 2019 and has been in the financial services industry since 2015, working as a liaison between financial advisers and clients, assisting in all financial planning related duties.

Maria obtained a BCom Economics degree from the North West University's Potchefstroom Campus. She also obtained her Postgraduate Diploma in Financial Planning from the University of the Free State and is qualified to give advice on all aspects of investing.

Phone: +27 (0) 12 347 8240 | Email: maria@brenthurstwealth.co.za

MISSED ANY OF OUR PREVIOUS ARTICLES?

[CLICK HERE TO READ PREVIOUS ARTICLES](#)



CONTACT ANY OF OUR HIGHLY QUALIFIED FINANCIAL ADVISORS AT OUR NINE OFFICES COUNTRYWIDE TO DISCUSS YOUR INVESTMENT STRATEGY.

EMAIL US: invest@brenthurstwealth.co.za

Johannesburg +27 (0) 11 799 8100
Sandton +27 (0) 10 035 1391
Pretoria +27 (0) 12 347 8240
CPT Waterfront +27 (0) 21 418 1236
George +27 (0) 44 050 6057

Claremont +27 (0) 21 100 3901
Bellville +27 (0) 21 914 9646
Stellenbosch +27 (0) 21 882 8706
Val de Vie Estate +27 (0) 21 100 3901
Mauritius 00 230 5843 5215

SATELLITE OFFICES:
KZN: Arin Ruttenberg +27 84 582 8581
FREE STATE: Iniel Van Zyl +27 72 298 3212
NORTH WEST: Maria Smit +27 79 696 6860
MPUMALANGA: Marise Reinach +27 72 795 3604

Brenthurst Wealth Management is an authorised financial services provider (Reg No: 2004/012998/07) FSP No.7833. This e-mail and any file attachments transmitted with it are intended solely for the addressee(s) and may be legally privileged and/or confidential. If you have received this e-mail in error please destroy it. If you are not the addressee you may not disclose, copy, distribute or take any action based on the contents hereof. Any unauthorised use or disclosure is prohibited and may be unlawful. The view and opinions expressed in this e-mail message may not necessarily be those of the management of Brenthurst Wealth Management (Pty) Limited.