

*TR=I+G: The Key to a More*  
Financially Secure Retirement



EISSMAN  
WEALTH MANAGEMENT

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# TR=I+G: The Key to a More **Financially Secure Retirement**

A common misconception about investing is that the terms “growth” and “return” are synonymous. They are not. Total return is the sum of two things: income plus growth, as illustrated by the formula:

$$\text{TR} = \text{I} + \text{G}$$

**Total Return = Income + Growth**

To break it down further, growth comes in the form of capital appreciation, while income is generated through interest and dividends.

## **The Growth Stage**

In your 30s and 40s, it’s all about building wealth and taking risks for potential growth.

Focus is on growth stocks and mutual funds.

You have time to recover from market dips.

## **The Transition Stage**

After 50, the goal shifts to protecting savings and generating income for retirement.

Shift from growth (“G”) to income (“I”).

Start planning for reliable, long-term income.

## **Why the Shift Works**

There are many reasons why making the shift from growth to income (or, more accurately, to income-first, growth-second) makes sense for most investors in or nearing retirement. These include:

- It aligns your investment strategy with your income-based goals.
- It can reduce your exposure to market volatility and the risk of spenddown.

- It can help you generate more income from your investments.
- It can increase your growth potential.
- It can reduce your stress and improve your quality of life.

## The Income Stage

Once you retire, income should become your top priority. A qualified advisor can help you shift from growth to income by building a fixed-income portfolio tailored to your goals.

## The Universe of Income-Generating Investment Options

Actively managed fixed-income investments are those designed to generate more reliable interest and dividend return at competitive rates in all market conditions. They include:

- Corporate Bonds
- Fixed and Indexed Annuities
- REITs (Real Estate Investment Trusts)
- ETFs (Exchange Traded Funds)
- Certificates of Deposit (CDs)
- Preferred Stocks
- High-Dividend-Paying Value Stocks

Your income-first, growth-second portfolio should reflect your goals, timeline, assets, and risk tolerance. This approach helps generate steady income while allowing you to reinvest some earnings for strategic, lower-risk growth over time.

## Summary

An income-first, growth-second strategy can help shield your savings from market volatility while providing steady income. It also offers growth potential with less risk. Contact us to learn how TR=I+G can lead to a more secure retirement.



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