Retirement plan on 3% yield

A 40% savings rate achieves financial independence after 31 years

	Monthly	Annual	%
Salary	4,000	48,000	
Save	1,600	19,200	40
Spend	2,400	28,800	60

Year end	Assets	Interest on previous year's assets	Year end	Assets	Interest on previous year's assets
1	19,200	-	17	417,822	11,610
2	38,976	576	18	449,557	12,535
3	59,345	1,169	19	482,244	13,487
4	80,326	1,780	20	515,911	14,467
5	101,935	2,410	21	550,589	15,477
6	124,193	3,058	22	586,306	16,518
7	147,119	3,726	23	623,095	17,589
8	170,733	4,414	24	660,988	18,693
9	195,055	5,122	25	700,018	19,830
10	220,106	5,852	26	740,218	21,001
11	245,910	6,603	27	781,625	22,207
12	272,487	7,377	28	824,274	23,449
13	299,862	8,175	29	868,202	24,728
14	328,057	8,996	30	913,448	26,046
15	357,099	9,842	31	960,051	27,403
16	387,012	10,713	32	1,008,053	28,802

At the end of year 31, interest of S$28,802 exceeds annual spending, assuming no other changes

Compiled by BT