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— FINANCE —

WHY YOUR RETIREMENT NUMBER PROBABLY DOESN'T EXIST



THE FIVE QUESTIONS THAT DECIDE AN EXPAT RETIREMENT,
AND WHY A SINGLE FIGURE WAS NEVER THE ANSWER

Rosbotham Finance

Rosbotham Finance is an independent financial planning firm based in Switzerland, working with expatriates from across the globe. We focus on the areas that matter most to internationally mobile people: retirement planning, tax efficiency, investments, pension advice, estate planning and overall financial wellbeing.



David Rosbotham

As an experienced cross-border adviser, my work is to take a complicated picture, several countries, several currencies, several pension systems, and turn it into one clear plan you can make decisions from.

A word on how to read this guide. Everything here is educational. It is written to help you ask better questions, not to tell you what to do with your own money, because the honest truth is that the right answer depends entirely on your circumstances, and no guide can see those. The whole argument of the pages that follow is that a generic answer is the wrong tool for a personal decision. Use this guide to think through the important questions more clearly, then let us know if you would like to see your unique situation modelled properly.

The Question Everyone Asks First

Ask anyone approaching retirement what they want to know, and the answer is almost always the same. They want a number. One figure that means "enough."

It is a completely understandable instinct, but it is the wrong place to start.

Underneath "how much do I need?" is usually something far more human. Am I safe? Have I done enough? Can I finally stop worrying? Will I be able to enjoy the years I have worked for without becoming a burden on anyone? People reach for a number because they are afraid of running out, afraid of depending on their children, afraid of stopping working too late or too early. Those are entirely reasonable things to feel. The difficulty is that a single number cannot answer a single one of them.

It cannot, because a number only looks like certainty. Underneath, it quietly assumes that four things will hold steady for the rest of your life: that you will spend about the same every year, that markets will behave on average, that you know how long you will live, and that the currency you saved in is the currency you will spend in. None of those four things is steady.

And for an expat, they are less steady still. For someone who has spent their whole life in one country, retirement planning is already complicated. For someone with pensions, savings and future spending spread across several countries and currencies, it becomes a different problem altogether. The familiar rules of thumb, the ones in every newspaper and pension brochure, were never built for that life. They assume one country, one tax system, one pension, one currency. Your situation has none of those things.

So the figure that looks like an answer is really a snapshot, built on assumptions that begin moving the day you retire. Two people handed the identical number can end up in very different places, one secure and one anxious, purely because of how those assumptions played out for each of them.

This guide does something more useful than hand you a figure it cannot stand behind. It replaces the one unanswerable question, "what is my number," with five questions you can actually work with. Answer these honestly, for your life rather than a generic one, and the number stops being a source of pressure. It becomes the result of a plan you understand.

Question 1: How Long Does It Need To Last?

The first reframe is the most uncomfortable. You are not funding a number. You are funding an unknown length of time, and that length is longer than most people assume.

A healthy person reaching 65 today can, on average, expect to live roughly another two decades, well into their mid to late eighties. That holds across the countries expats most often retire to, Switzerland, the United Kingdom, Spain, Italy and Portugal, which are among the longest-living in the world and strikingly close to one another.

Two points matter more than the averages themselves. An average is a midpoint, so a large share of people live well beyond it, into their nineties. And published figures tend to understate the position for someone retiring now, because they assume today's mortality rates never improve. On a forward-looking basis, it is prudent for many people to plan on drawing an income for 25 to 30 years.

Seen this way, the goal stops being a pot and becomes a horizon. What you need to test is not whether you have a big enough number today, but whether your income holds up across a retirement that could run for three decades, and what happens if you are one of the many who reach the far end of that range.

A NOTE ON THE "4% RULE"

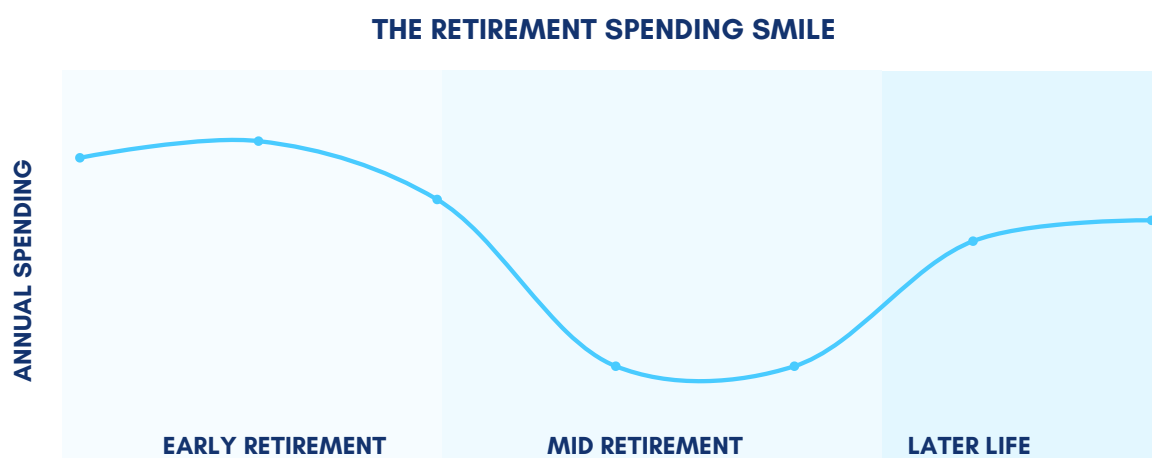
You may have met the rule that says you can withdraw 4% of your savings in year one, raise it with inflation, and never run out. It is worth knowing where it came from. The US adviser William Bengen set it out in 1994, and the 1998 Trinity study popularised it, both using US market history from 1926, a US stock and bond portfolio, US inflation, a tax-free account and a fixed 30-year horizon. It does not transfer cleanly to someone living in Switzerland, holding multi-currency assets, facing wealth tax and possibly planning for longer than thirty years. Even Bengen has revised the figure repeatedly since. Treat it as history, not instruction.



Question 2: What Will You Spend, and When?

A number assumes you will spend evenly. Real retirements rarely work that way.

Spending tends to follow a shape rather than a flat line. The active early years often cost more, funding the travel and plans you waited for. The middle years usually settle. Later years can climb again as health and care needs grow. A plan built on one flat figure either overfunds the quiet stretch or underfunds the demanding one.



How spending tends to move through retirement: higher in the active early years, easing through the middle, often rising again later as health and care costs grow. A general pattern, not a personal forecast. Pattern observed in David Blanchett's research into retirement spending.

One cost behaves differently from all the rest, and it is the one your choice of country transforms: healthcare. In Switzerland it is impossible to ignore, because insurance is mandatory, paid as a flat premium that does not stop when you retire and continues to climb. For 2026 the average premium rose about 4.4% to roughly CHF 393 a month, after increases of around 8.7% and 6% in the two years before, and it varies sharply by canton.

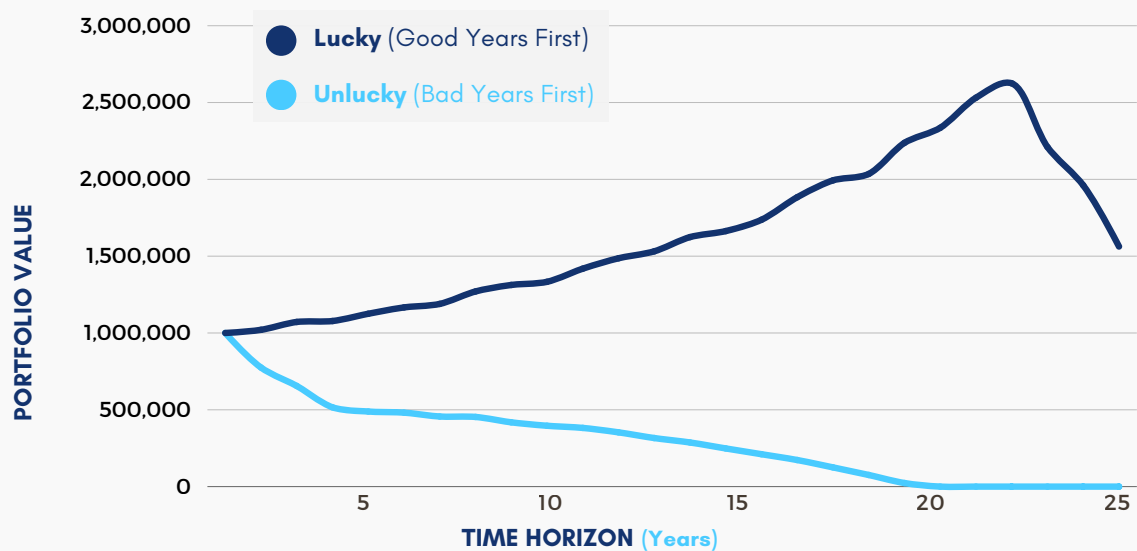
This is where being an expat changes everything. The moment you retire somewhere other than Switzerland, your whole healthcare model changes, and so does its cost. A move to the UK, Spain, Italy or Portugal means a different system, different entitlements, different gaps and often a decision about private cover to fill them. The expense does not vanish when you leave. It changes shape, in a country and a currency your old assumptions never accounted for.

Which points to a more useful way of thinking about it: not how much you will spend, but how your spending shifts across the phases of retirement, and how your choice of country changes the cost of the one thing hardest to predict.

Question 3: What Happens If the First Few Years Go Badly?

This is the question that exposes a number most plainly. The cause is **sequence-of-returns risk**, and it is simpler than it sounds. While you are saving, the order of good and bad years barely matters; the average is what counts. Once you are drawing an income, the order matters enormously. A sharp fall in the first few years means selling investments to live on while they are depressed, locking in losses and shrinking the base that has to recover. The same fall ten years later, after years of growth, may barely register.

A simple illustration makes the point. Picture two people who retire with the identical CHF 1,000,000, both drawing CHF 55,000 a year, both earning exactly the same average return of 6% a year over the next 25 years. The only thing that differs is the order in which those returns arrive. The first retiree meets a run of poor years right at the start; the second meets that same run, but near the end. Same money in, same withdrawals, same average. Yet the first retiree's savings are exhausted by year twenty, while the second still has more than CHF 1.5 million left. Nothing separates them but the luck of timing.



(Illustration only, using assumed returns, not real market data or a forecast.)

Viewed through that lens, what matters is not the size of the pot but its resilience. A figure on a page tells you nothing about whether your plan can absorb a bad opening decade. That depends on how your income is structured, how far you can flex your spending in a downturn, and whether you hold buffers so you are never forced to sell at the worst possible moment. Those are design choices, and they are what planning is actually for.



Question 4:

What Currency Is Your Life Priced In?

Here is the question almost every retirement guide ignores, and the one that matters most to a life lived across borders.

Every number is denominated in something. If your savings and pensions sit largely in Swiss francs, but the life you intend to live will be paid for in euros, pounds or something else, your number is measured in a unit that floats against the very thing you will buy with it. The same is true in reverse for anyone who saved elsewhere and plans to retire in Switzerland.

The aim is not to forecast exchange rates, which no one can do. It is simply to see the exposure. A franc-denominated pension spent in another currency can gain or lose purchasing power with the markets, entirely separately from how your investments perform. Across two or three decades, that is not a rounding error. It can reshape the standard of living a fixed number was supposed to secure. The strength of the Swiss franc, such a comfort to those who hold it, becomes a live question the moment your spending sits abroad.

That shifts the focus onto something most plans never name: the currency your future is actually priced in, and how exposed your income is to the gap between where your money sits and where you will spend it. For an expat, that gap is rarely a detail. It is often the difference between a plan that holds and one that quietly drifts.

Question 5: How Do Your Pillars Turn Into Income?

The last reframe is the gap between having assets and having an income.

Most people picture a single pot. In reality an expat in Switzerland usually has several sources with very different rules: the state pension (Pillar 1, AHV), the occupational pension (Pillar 2), private savings (Pillar 3), and any investments or property, quite possibly in more than one country. They do not arrive as one neat figure. Each has its own timing, its own tax treatment, its own choices.

The largest of those choices sits inside Pillar 2. At retirement, do you take your occupational pension as a lifelong income, as a lump sum, or as a blend. It is among the biggest and least reversible decisions a Swiss resident makes, and the right answer genuinely differs from one person to the next, shaped by health, family, other assets, tax position and the country you will live in. A single number hides this entirely, when the decision actually helps determine what your number is.

Beyond it, the order in which you draw from each source, and how that interacts with tax where you live, decides how much spendable income your assets really produce. Two people with identical balances can end up with materially different net incomes purely through how they sequence and structure withdrawals, and for an expat that sequencing runs across more than one tax system at once.

So the thing to understand is not how much you have accumulated. It is how those pieces combine, in what order and with what tax consequences, to produce a reliable income for as long as you need it.





Bringing It Together

Notice what has happened. We refused to give you a number, and we arrived at five questions no single figure could ever hold:

- **How long does it need to last?**
- **What will you spend, and when?**
- **What happens if the first few years go badly?**
- **What currency is your life priced in?**
- **How do your pillars turn into income?**

You do not answer these once and file them away. They interact, they move as your life moves, and they are different for every person who reads this. That is the real reason the number does not exist in any fixed form. It pretends a personal, shifting, multi-currency, multi-decade decision can be reduced to one static figure. For an expat especially, it cannot.

This is what cashflow planning is for. Instead of chasing a figure, we build a living model of your actual situation and let you see it: how long your income lasts under different assumptions, what a poor opening decade would do, how a currency move or a move abroad changes the picture, and how your pillars are best turned into income. Each worry becomes something visible on a page that you can make decisions from, rather than a question that keeps you awake.

And underneath it all, it answers the human questions the number never could. Am I safe? Have I done enough? Can I stop worrying and enjoy what I have built? Those deserve a real answer, not a rule of thumb.

Next Steps

If you would rather stop guessing at a number and see your own five questions answered in real figures, the next step is a conversation.

Book a free introductory consultation and we will show you how a personalised cashflow planning process can help you:

- See how long your income realistically lasts, across the lifespans you should plan for
- Stress-test your plan against poor markets and rising costs
- Understand your currency exposure and what a move abroad would change
- Work out how your pillars are best turned into a dependable income

Whether you plan to retire in Switzerland or somewhere else entirely, the goal is the same: clarity, confidence and control over a decision far too important to leave to guesswork.

“David patiently explained my options based on a personalised analysis, and I ended up with a retirement plan aligned with my objectives. I am now enjoying a comfortable and financially secure retirement in Spain.”

Patricia Lopez, Novartis (retired to Spain)



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A handwritten signature in blue ink, appearing to read 'David Rosbotham', written in a cursive style.

This guide is provided for general educational purposes only and does not constitute financial advice. Your circumstances are unique, and you should seek personalised advice from a qualified financial adviser before making decisions.

