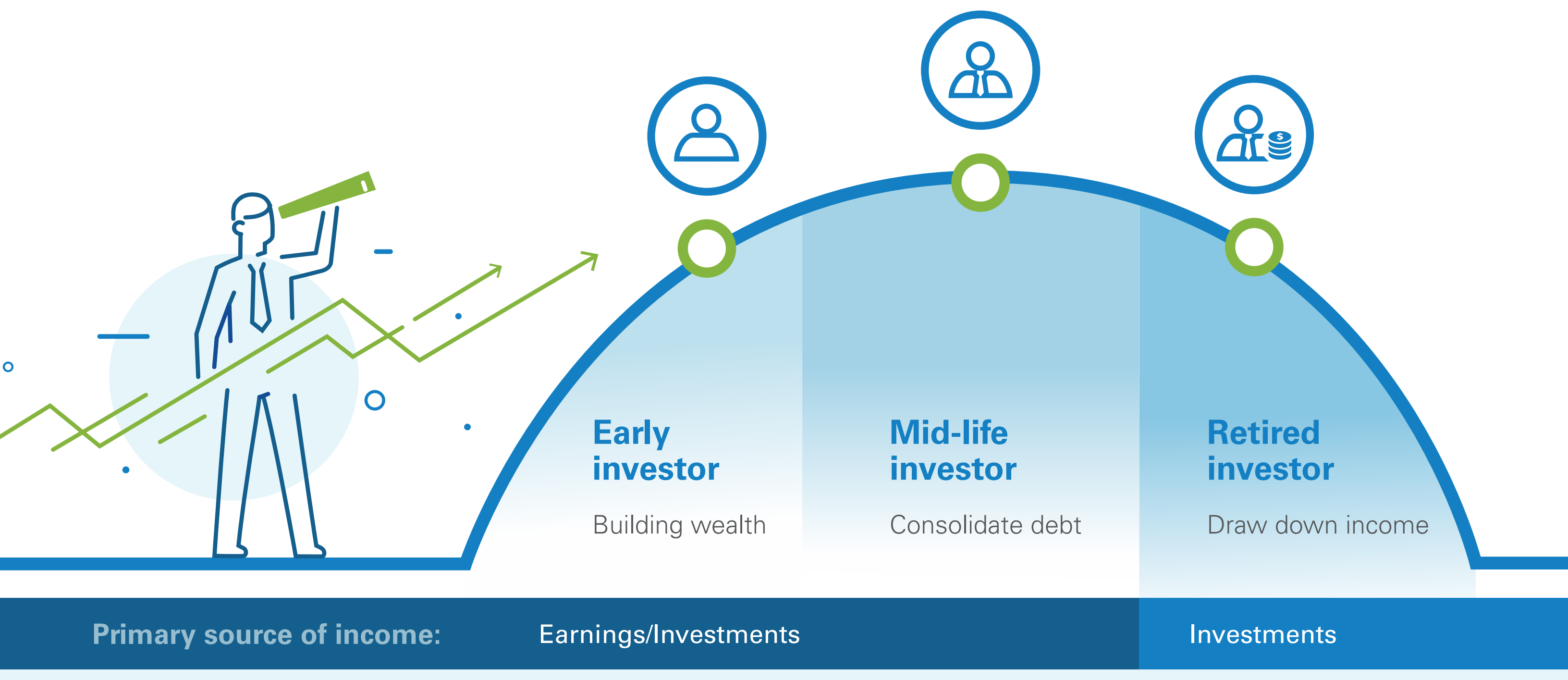
LEGG MASON
GLOBAL ASSET MANAGEMENT

MetLife

INVEST FOR LIFE: A ROAD MAP FOR YOUR FINANCIAL FUTURE

What type of Investor are you today?

Assess your current situation
Age and income are major factors in your investment journey, in part because they often impact your goals.



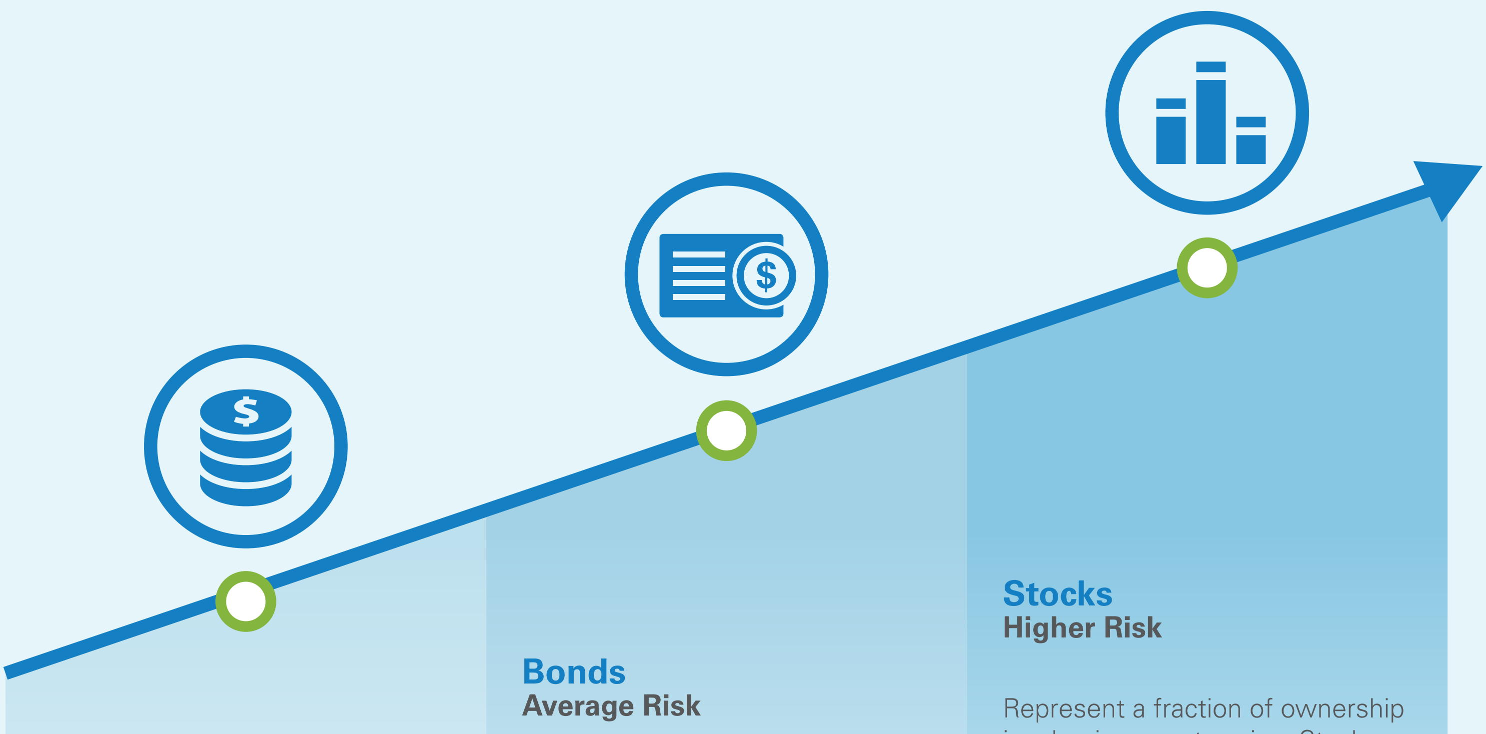
Where do you want to go?

Set Goals and Priorities
Investors have one thing in common: they all have dreams. Whether it's a new home, children's education, children's marriage or a relaxing retirement, these life goals come in all varieties. They are timeless, precious and stretch as far as the imagination can see. Often, they drive every investing decision you make.

What are your options?

Consult your Bank relationship manager, or wealth advisor
They can be your trusted partners in assessing your financial and savings needs.

Risk Tolerance – How fast do you want to go?
All investments involve some degree of risk. The ups and downs that you can comfortably accept in pursuit of your goals is critical when developing your investment strategy.



Cash
Low Risk

Short term investments that can be converted easily and immediately into cash. Typically low-risk and average lower returns than stocks or bonds.

Bonds
Average Risk

Represent a fraction of a debt owned by a business or government enterprise. Bond prices also rise and fall, but bonds entitle the holder to a steady stream of interest payments over time as well we the eventual repayment of the principal.

Stocks
Higher Risk

Represent a fraction of ownership in a business enterprise. Stock prices risk and fall over time but, historically the average return on stocks has been higher than for fixed income or cash.

How to invest?

Compare the benefits and cost.

1

You can buy and sell individual stocks and bonds yourself

2

Choose a mutual fund that holds a mix of different assets, managed by professional investment experts.

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What is a mutual fund?

An investment where investors use a collective pool of money to invests in various securities (like bonds and stocks) and profit from diversification and professional portfolio management. Mutual funds help investors with modest amounts of money to have similar benefits enjoyed by larger investors.

Individual investors » **Pooled assets** » **Global economy**

Do you know the Rule of 72?

One important concept in mutual fund investing is the power of compound interest — especially the Rule of 72. An account could double at a certain point determined by dividing 72 by the percent of interest.

Dividing 72 by the interest rate...

72 ÷

...equals the number of years it takes your money to double.

Years	3%	6%	9%
0	$10,000	$10,000	$10,000
4			
8			$20,000
12		$20,000	
16			$40,000
20			
24	$20,000	$40,000	$80,000
28			
32			$160,000
36		$80,000	
40			$320,000
44			
48	$40,000	$160,000	$640,000

This table serves as a demonstration of how the Rule of 72 concept works from a mathematical standpoint. It is not intended to represent an investment. The chart uses constant rates of return, unlike actual investments, which will fluctuate in value. It does not include fees or taxes, which would lower performance. It is unlikely that an investment would grow 9% or more on a consistent basis, given current market conditions.

Group savings into three buckets

Emergency Account

Goals: Up to 3 months of income

- Emergencies
- Uncovered medical expense
- Major car repair

Short-term Account

Goals: Up to 6 months of income

- Reserved for unforeseen events
- Loss of job
- Car
- Down payment for a house

Wealth-building Account

Goals: Long term/retirement

- College or wedding planning for children
- Legacy planning
- Recurring income stream in retirement

Dive into the 3Ds of investing

Diversification[2]

By owning a piece of many different types of investments within a fund, you may soften the blow if any single investment suffers a downturn. At the same time, you increase the chances of benefiting if one security gains favor over another.

Discipline

A commitment to saving is one of the key ingredients to successful investing. Once you've figured out how much you need to reach your long-term goals, persevere! Don't let temporary setbacks derail your financial dreams.

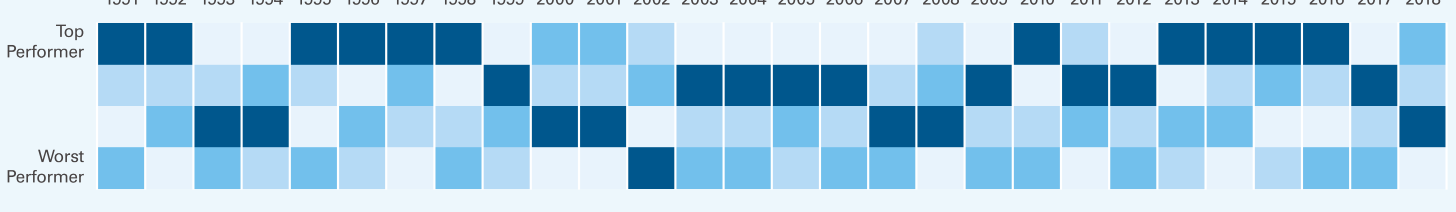
Dollar-cost averaging[2]

Dollar-cost averaging allows you to chip away at your long-term goals. Basically, it involves contributing a smaller, preset amount at regular intervals — monthly or quarterly — instead of a large, one-time sum. This approach can reduce the average cost per share and spread out your investment risk over time.

[2] Diversification and dollar-cost averaging do not guarantee a profit or protect against investment loss. All investing involves risk, including possible loss of principal.

Diversification

Because over time, asset classes typically perform differently. The worst-performing investment one year can be the best the next, and vice versa. No one can predict which asset class will come out on top.



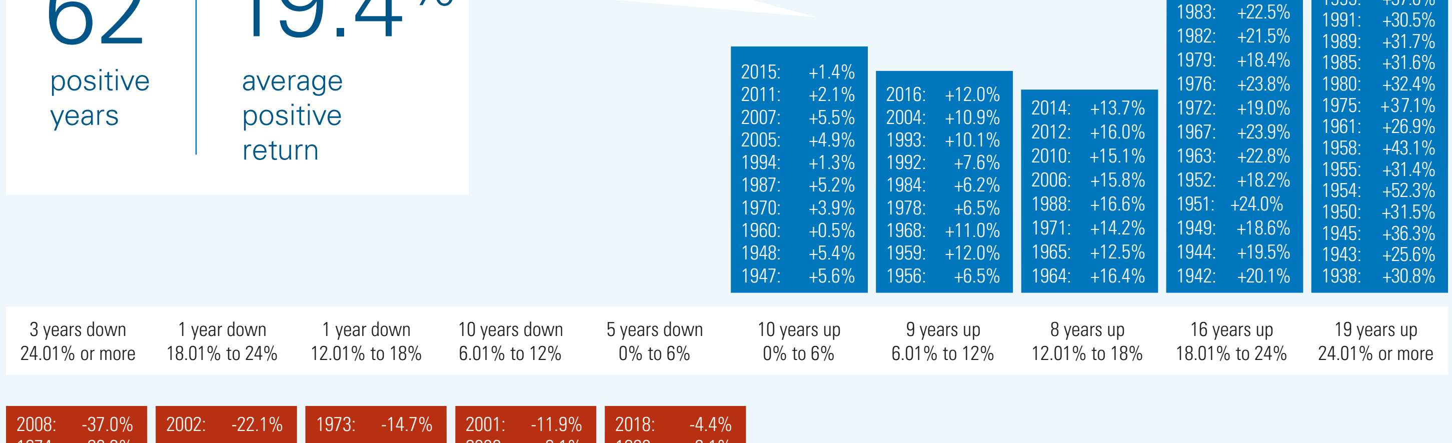
As of December 31, 2018
US Stocks represented by the S&P 500 Index; Developed Non-US Stocks represented by MSCI EAFE Index; Global Bonds represented by Bloomberg Barclays Global Aggregate Bond Index; Investors cannot invest directly in an index. Unmanaged index returns do not reflect any fees, expenses or sales charges. Source: Legg Mason. Returns are as of December 31 of specified years. The table above is presented for informational purposes only and does not represent performance of any specific investment. Past performance is no guarantee of future results. Diversification does not guarantee a profit or protect against a loss.

Discipline

The odds have favored the investor who takes a long-term approach. Consider the positive versus negative average annual returns for the S&P 500 for the past 82 years. S&P 500* is a commonly recognized proxy for expected investment returns, globally.

Though the stock market's returns vary tremendously, they were positive in 76% of the years shown.

10.2% average annual return: 1937–2018



Information shown represents all available historical total return data for the index.
Sources: Legg Mason. Each calendar year listed in chart reflects average annual performance from December 31 of prior year to December 31 of listed year. Returns prior to 1957 are representative of the S&P 90 Index, a value-weighted index based on 90 stocks. Performance shown reflects the effects of dividend reinvestment. This chart is for illustrative purposes only and does not represent actual performance, past or future, of any investment.
Past performance is no guarantee of future results.
The **S&P 500 Index (S&P 500)** is an unmanaged index of 500 stocks that is generally representative of the performance of larger companies in the U.S. Performance does not reflect the impact of fees and expenses. Investors cannot invest directly in an index. Unmanaged index returns do not reflect any fees, expenses or sales charges.

Dollar-cost averaging

Regular investing can support investor goals in varying market conditions. This eliminates having to predict when to invest, as you will be able to take advantage of the market highs and lows — by purchasing fewer units when the prices are high and more units when the prices are low.

AMOUNT INVESTED IN 6 MONTHS
$600

A Number of shares accumulated 42; Average cost per share $14.19

B Number of shares accumulated 126; Average cost per share $4.76

Investor A

Invests $100 per month		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
	Cost per share ($)	10.00	12.00	14.00	16.00	18.00	20.00
	Number of shares	10.00	8.33	7.14	6.25	5.56	5.00

Investor A bought fewer shares as cost per share rose.

Investor B

Invests $100 per month		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
	Cost per share ($)	10.00	7.00	4.00	2.00	6.00	10.00
	Number of shares	10.00	14.29	25.00	50.00	16.67	10.00

Investor B bought more shares as cost per share dropped.

The chart above is a hypothetical scenario intended for illustrative purposes only.
Periodic investment plans do not ensure a profit and do not protect against investment loss in declining markets. Since dollar-cost averaging involves continuous investment in securities regardless of fluctuating price levels of such securities, an investor should consider his/her financial ability to continue purchasing through periods of low price levels.

Investing now for the future

1 Consider the challenges

Setting aside enough money for you and your family in retirement isn't easy. There are many factors that could affect your retirement savings, some of which are out of your control.

We are living longer, so retirement lasts longer

Average life expectancy in the U.S.[8]

1960	69.7
2018	80.1

Inflation reduces your purchasing power

A liter of milk in 2018 was $3.28, on average. 25 years from then, it's expected to be $6.92.[8]

2018 $3.28
25 yrs. $6.92

Assumes a 3.2% annual rate of inflation.

2 Investigate the options

It's important to maximize your retirement plan savings and personal savings to help ensure you enjoy the retirement lifestyle you envision. There are a number of options that can help you achieve those goals.

The high cost of procrastination

Starting to invest early and regularly will benefit you for the long term.

Create a savings strategy

Determine how much you will need. Review your budget. Start your saving now.

3 Plan for the future

Planning ahead is vital in achieving your retirement goals — it really is all up to you, but with our help you could get there.

Carefully consider your retirement goals

Utilize an Investment Profile Questionnaire to identify your approach to investing.

Speak to your Relationship Manager or Financial Advisor

They can work with you to define your target savings goals, and offer solutions in line with your investment risk appetite.

[8] Sources: Central Intelligence Agency, The World Factbook (last updated January 2019). CRS Report for Congress: Life Expectancy in the U.S., August 16, 2006; Liqun Liu, Andrew J. Rettenmaier and Zijun Wang, "The Rising Burden of Health Spending on Seniors," National Center for Policy Analysis, NCPA Policy Report No. 297, February 2007; Social Security Administration, Monthly Statistical Snapshot, November 2017, www.ssa.gov/policy/docs/quickfacts/stat_snapshot; Median and Average Sale Prices of New Homes Sold in United States, www.census.gov/construction/nrs/ pdf/uspricemon.pdf; The U.S. Energy Information Administration Regular Conventional Retail Gasoline Prices; U.S. Bureau of Labor Statistics, Consumer Price Index — Average Price Data as of November 2018. This document does not address state or local tax rules concerning IRAs or other accounts. Legg Mason, Inc., its affiliates and its employees are not in the business of providing estate planning, tax or legal advice to taxpayers. These materials and any tax-related statements are not intended or written to be used, and cannot be used or relied upon, by any such taxpayer for the purpose of avoiding tax penalties or complying with any applicable tax laws or regulations. Tax-related statements, if any, may have been written in connection with the "promotion or marketing" of the transaction(s) or matter(s) addressed by these materials, to the extent allowed by applicable law. Any such taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor. Information contained herein is current as of January 2019, is subject to legislative changes and is not intended to be legal or tax advice. Investments are not insured by the FDIC or any other government agency; are not a deposit or other obligation of Legg Mason, Inc., or any depository institution; and are subject to investment risks, including loss of principal amount invested.