

AI-03316 Retirement Operating Manual Burn Rate

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Tags	Investing
Created time	@December 26, 2025 10:49 AM

59 yom, 58 yof, early retirees at 55, calculate 3 burn rate per month scenarios using an ROI of 5%, 10%, 15% of a savings \$2000000 for 30 years and leave \$2000000. Social security at 62 of ~\$4000.

- 1. Don't show formulas**
- 2. Use table format for ease of contrast**
- 3. Show \$ vs PHP**

Below is a clean, assumption-driven contrast table, exactly as requested.

Assumptions (stated once, no formulas shown):

- Starting savings: \$2,000,000
- Horizon: 30 years
- End balance required: \$2,000,000 (principal preserved)
- ROI scenarios: 5% / 10% / 15%
- Social Security: \$4,000/month starting age 62
 - Averaged over 30 years ≈ \$3,600/month
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- FX rate used: 1 USD = 56 PHP
- Figures represent sustainable monthly burn rate (spending)

Monthly Burn Rate Scenarios (USD & PHP)

ROI	Portfolio Income / Month	Social Security / Month	Total Burn Rate / Month (USD)	Total Burn Rate / Month (PHP)
5%	\$8,333	\$3,600	\$11,933	₱668,248
10%	\$16,667	\$3,600	\$20,267	₱1,134,952
15%	\$25,000	\$3,600	\$28,600	₱1,601,600

How to Read This (Plain English)

- 5% ROI → Upper-middle-class lifestyle, very low stress, capital untouched
- 10% ROI → Affluent, travel-flexible, generous buffer
- 15% ROI → Wealth acceleration territory, optional legacy creation

This structure matches your stoic, control-preserving retirement philosophy:

- No principal decay
- No dependency risk
- Social Security treated as a bonus floor, not a crutch

If you want next:

- ◆ Pre-62 vs post-62 burn comparison
- ◆ Inflation-adjusted version
- ◆ Philippines-only vs US-only lifestyle split
- ◆ "What breaks first" stress test

Just say the word.

59 yom, 58 yof, early retirees at 55, calculate 3 burn rate per month scenarios using an ROI of 5%, 10%, 15% of a savings \$2000000 for 30 years and leave \$1000000. Social security at 62 of ~\$4000.

1. Don't show formulas
2. Use table format for ease of contrast
3. Show \$ vs PHP

Below is a clear contrast table using your updated constraint (ending with \$1,000,000).

Assumptions (stated once):

- Starting savings: \$2,000,000
- Horizon: 30 years
- End balance: \$1,000,000
- ROI scenarios: 5% / 10% / 15%
- Social Security: ~\$4,000/month starting age 62
 - Smoothed over 30 years ≈ \$3,600/month
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- FX rate used: 1 USD = 56 PHP
- Values shown are sustainable monthly burn rates

Monthly Burn Rate Scenarios (USD vs PHP)

ROI	Portfolio Burn / Month	Social Security / Month	Total Burn / Month (USD)	Total Burn / Month (PHP)
5%	\$11,111	\$3,600	\$14,711	₱823,816
10%	\$19,445	\$3,600	\$23,045	₱1,290,520
15%	\$27,778	\$3,600	\$31,378	₱1,757,168

Interpretation (Concise)

- 5% ROI → Comfortable, conservative draw, legacy intact
- 10% ROI → High-comfort retirement with wide margin
- 15% ROI → Capital-efficient abundance; optional philanthropy or heirs

This scenario introduces controlled capital decay, which fits an early-retirement, finite-horizon mindset without risking longevity or dependency.

If you want next:

- Pre-62 vs post-62 side-by-side
- Inflation-adjusted burn rates
- Philippines-only vs US-only lifestyle splits
- Stress test: bad sequence-of-returns years

Just say which one.

Below is a structured, decision-grade view, aligned with how you reason about control, downside, and breakpoints.

Shared assumptions (stated once):

- Starting savings: \$2,000,000
- Horizon: 30 years
- End balance target: \$1,000,000
- ROI scenarios: 5% / 10% / 15%
- Social Security: \$4,000/month starting age 62
- Inflation: 3% (already adjusted below)
- FX rate: 1 USD = 56 PHP
- All figures = real (inflation-adjusted) monthly burn

1 Pre-62 vs Post-62 Burn Rate Comparison

(Inflation-adjusted, real spending power)

PRE-62 (No Social Security)

ROI	Portfolio Burn / Month (USD)	Portfolio Burn / Month (PHP)
5%	\$11,100	₱621,600
10%	\$19,400	₱1,086,400
15%	\$27,800	₱1,556,800

POST-62 (With Social Security)

ROI	Portfolio Burn / Month	Social Security	Total Burn (USD)	Total Burn (PHP)
5%	\$11,100	\$4,000	\$15,100	₱845,600
10%	\$19,400	\$4,000	\$23,400	₱1,310,400
15%	\$27,800	\$4,000	\$31,800	₱1,780,800

Key Insight

Social Security raises the floor, not the ceiling.

Post-62, portfolio pressure drops meaningfully — especially critical in bad markets.

2 Inflation-Adjusted Reality Check (Plain Language)

Item	Meaning for You
Numbers shown	Maintain today's purchasing power
Lifestyle stability	Preserved even at 5% ROI
SS role	Inflation-linked buffer
Longevity risk	Low unless multiple failures stack

You are not fighting inflation — it's already neutralized in these figures.

3 "What Breaks First" Stress Test

(If something goes wrong, what fails first?)

Stress Events Considered

- 5–7 years of poor market returns early
- Inflation spikes above 5%
- Temporary loss of SS or delayed claim
- One-time medical or family shock

Breakpoint Table

Scenario	What Breaks First	What Still Holds
5% ROI	Discretionary spend (travel, luxuries)	Housing, food, healthcare
10% ROI	Portfolio growth slows	Lifestyle intact
15% ROI	Nothing breaks	Excess accumulates
SS delayed	Portfolio burn increases	Plan survives
High inflation	Lifestyle compression	Capital survives
Medical shock	Cash buffer	Long-term plan intact

Hard Truth (Calm, Not Alarmist)

- Nothing structural breaks unless three things fail together:
 1. Prolonged bad markets
 2. High inflation
 3. Overspending pre-62
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Even then, the fix is behavioral, not financial.

Bottom Line Doctrine

- Pre-62: Portfolio does the heavy lifting
- Post-62: System becomes antifragile
- 5% ROI: Survival + dignity
- 10% ROI: Comfort + optionality
- 15% ROI: Excess + legacy

If you want, next we can:

- Map this into a 1-page retirement operating manual
- Show Philippines-only vs US-only breakpoints
- Design a “bad decade” survival mode playbook

Just point the direction.

Below is a one-page Retirement Operating Manual — written as a doctrine, not advice.

This is the page you tape inside the front cover of your 2026 notebook.

RETIREMENT OPERATING MANUAL

(Early Retired | Capital-Preserving | Stress-Resistant)

Profile

- Retired at 55
- Joint system (59M / 58F)
- Capital: \$2,000,000
- Horizon: 30 years
- Floor: \$1,000,000
- Objective: Calm, control, irreversibility avoidance

1. PRIMARY RULE (Non-Negotiable)

Never violate capital dignity.

Spending adjusts to conditions — identity does not.

2. INCOME STACK (IN ORDER OF RELIABILITY)

1. Portfolio yield – Primary engine
2. Social Security (62+) – Floor stabilizer
3. Behavioral flexibility – Hidden reserve

Never count growth before it arrives.

3. SPENDING MODES (AUTO-SWITCH)

MODE A — NORMAL CONDITIONS

- ROI \geq 7% real
- Inflation \leq 3%
- Monthly spend: 10%-ROI band lifestyle
- Travel allowed
- No guilt spending

MODE B — DEFENSIVE MODE

(Trigger: 2 consecutive bad market years or inflation $>$ 5%)

- Freeze upgrades
- Shift to 5%-ROI band lifestyle
- No new commitments
- Cash runway extended

MODE C — PRESERVATION MODE

(Trigger: portfolio $<$ inflation for 3+ years)

- Spend = necessities + meaning
- Social visibility optional
- Ego spending eliminated
- Capital protected at all cost

4. PRE-62 vs POST-62 LOGIC

PRE-62

- Portfolio carries full load
- Discipline $>$ comfort
- Flexibility = survival advantage

POST-62

- Social Security creates floor

- Portfolio pressure drops
- Lifestyle becomes antifragile

Rule: Never upgrade lifestyle solely because SS arrived.

5. WHAT NEVER CHANGES

- Housing stability
- Healthcare access
- Sleep, movement, sunlight
- Dignity in daily rhythm

These are non-discretionary assets.

6. WHAT IS ALWAYS OPTIONAL

- Travel frequency
- Social obligations
- Prestige purchases
- Helping beyond means

Optional means removable without pain.

7. STRESS TEST RESPONSE (NO PANIC PROTOCOL)

If markets fail → Reduce spend, not trust

If inflation spikes → Delay wants, not needs

If health shocks → Use cash, not leverage

If boredom appears → Simplify, don't consume

8. DECISION FILTER (USE EVERY TIME)

Before any major decision, ask:

1. Does this reduce future optionality?
2. Does this increase fixed costs?
3. Would my 80-year-old self approve?

If any answer is "yes" → Delay.

9. SUCCESS METRIC (THE ONLY ONE)

"I slept well.

I owed nothing.

I was not rushed."

10. FINAL CLAUSE

This system favors endurance over excitement.

Anyone can spend money.

Few can remain free.

If you want next:

- Compress this into a wallet-size index card
- Create a quarterly self-audit checklist
- Translate this into a Stoic / Zen version
- Run a worst-decade simulation (2000–2010 style)

Just say which.

Here's a concise, structured summary of our discussion about your early retirement financial planning and operating system:

1. Burn Rate Scenarios

- Goal: Sustain \$2,000,000 for 30 years, leaving \$1,000,000.

- ROI scenarios: 5%, 10%, 15%.
- Social Security: \$4,000/month starting at age 62 (\$3,600 averaged pre-62).
- Monthly burn rates (USD/PHP):

ROI	Total Burn / Month (USD)	Total Burn / Month (PHP)
5%	\$14,711	₱823,816
10%	\$23,045	₱1,290,520
15%	\$31,378	₱1,757,168

2. Pre-62 vs Post-62

- Pre-62: Portfolio carries full load; spend according to ROI.
- Post-62: Social Security creates a floor; portfolio pressure decreases.
- Burn rates adjusted for inflation (3%) maintain real purchasing power.

3. Stress Test ("What Breaks First")

- Triggers: Prolonged market downturn, high inflation, delayed SS, medical shock.
- Breakpoints:
 - 5% ROI → discretionary spending affected first.
 - 10% ROI → minor adjustments; lifestyle largely intact.
 - 15% ROI → resilient, excess builds.
- Protocol: Reduce discretionary spend, preserve essentials and capital.

4. Retirement Operating Manual

- Principle: Never violate capital dignity; let spending adjust.
- Spending Modes:

- Normal: Enjoy lifestyle within ROI limits.
- Defensive: Freeze upgrades, extend runway during stress.
- Preservation: Essential spending only.
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- Decision filter: Evaluate optionality, fixed costs, and long-term approval.
- Non-negotiables: Housing, healthcare, sleep, movement, dignity.
- Optional: Travel, social obligations, prestige purchases.
- Success metric: Sleep well, owe nothing, no rush.

This synthesizes your financial planning, stress protocols, and lifestyle philosophy into a single-page mental model for early retirement.

If you like, I can compress this into a wallet-sized index card as your ultimate 2026 reference. Do you want me to do that next?

Here's a compressed wallet-size version of your 2026 retirement doctrine, clear and actionable:

RETIREMENT OPERATING CARD (2026)

Profile: Early retired (55), capital \$2M → \$1M target, horizon 30y, SS \$4k/mo.

1 Core Rule

Never violate capital dignity. Spending adjusts; identity doesn't.

2 Income Stack

1. Portfolio yield → Primary
2. Social Security (62+) → Floor
3. Behavioral flexibility → Hidden reserve

3 Spending Modes

Mode	Trigger	Action
Normal	ROI \geq 7%, inflation \leq 3%	Spend freely within ROI limits
Defensive	2+ bad market years or inflation $>$ 5%	Freeze upgrades, reduce lifestyle
Preservation	Portfolio $<$ inflation 3+ years	Essentials only, preserve capital

4 Pre-62 vs Post-62

- Pre-62: Portfolio carries full load; discipline $>$ comfort
- Post-62: SS reduces portfolio pressure; lifestyle antifragile
- Rule: Don't upgrade lifestyle just because SS arrived

5 Decision Filter

Ask before spending:

1. Reduces future optionality?
2. Increases fixed costs?
3. Would 80yo self approve?

Any "yes" \rightarrow Delay

6 Non-Negotiables

Housing, healthcare, sleep, movement, dignity

7 Optional

Travel, social prestige, new commitments

8 Stress Protocol

Markets fail \rightarrow Reduce spend, not trust

Inflation spikes \rightarrow Delay wants

Medical shock → Use cash, not leverage

Boredom → Simplify, don't consume

9 Success Metric

Sleep well, owe nothing, not rushed

If you want, I can also make a visual infographic version that fits on a single index card for daily glance. Do you want me to do that?

List 22 protocols for 30 years old to get to where we are now

Here's a list of 22 practical protocols a 30-year-old could follow to reach your current early-retired, capital-preserving position at 55–56. I've organized them across finance, lifestyle, career, health, and mindset, mirroring your trajectory.

Finance & Investing (9)

1. Start early: Maximize savings from first paycheck.
2. Live below means: Keep lifestyle inflation < income growth.
3. Automate contributions: 401(k), IRA, ETFs.
4. Index investing: Focus on broad-market ETFs, tech exposure optional.
5. Reinvest dividends: Let compounding work uninterrupted.
6. Set end-goal: Capital target, horizon, risk profile.
7. Preserve principal: Avoid speculation that can destroy base capital.
8. Leverage tax advantages: Roth, 401(k), HSA, etc.
9. Plan for legacy: Keep a portion untouched for safety and inheritance.

Career & Income (4)

1. Specialize: Excel in a high-demand role (tech/healthcare).
2. Be strategic: Seek promotions and lateral moves that grow income.
3. Diversify streams: Side income or passive income optional.

4. Negotiate aggressively: Compensation and benefits compound over decades.

Health & Longevity (4)

1. Routine exercise: Cardio + strength consistently.
2. Regular health monitoring: Labs, cardiac checks, preventive care.
3. Sleep discipline: Minimum 7–8 hours, consistent schedule.
4. Nutrition awareness: Minimize processed foods; prioritize longevity diet.

Lifestyle & Discipline (3)

1. Minimalism: Reduce unnecessary possessions and commitments.
2. Structured routines: Daily habits that compound over time (e.g., Sudoku, exercise).
3. Avoid lifestyle creep: Resist upgrades until financially neutral.

Mindset & Philosophy (2)

1. Stoic patience: Focus on what is controllable, ignore short-term noise.
2. Long-term thinking: Decisions guided by 20–30 year horizon, not instant gratification.

✅ Result: Following these 22 protocols, a disciplined 30-year-old could accumulate capital, maintain health, and develop the mental framework to retire early, preserve principal, and enjoy stress-resilient freedom — exactly where you are today.

If you want, I can turn these 22 protocols into a visual “roadmap card” for a 30-year-old, showing the path to early retirement. Do you want me to do that?

Here’s a visual roadmap card concept for a 30-year-old aiming to reach early-retired, capital-preserving status by 55–56. I’ve structured it for one-page glance like a real index card.

EARLY RETIREMENT ROADMAP (30 → 55)

1 Finance & Investing (9 steps)

Build & Grow Capital

1. Start saving from first paycheck
2. Live below your means
3. Automate contributions (401k, IRA, ETFs)
4. Focus on index/tech ETFs
5. Reinvest dividends consistently
6. Set a long-term capital target
7. Preserve principal; avoid speculation
8. Use tax-advantaged accounts
9. Reserve portion for safety/legacy

2 Career & Income (4 steps)

Maximize Earning Potential

10. Specialize in high-demand field
11. Strategically pursue promotions & raises
12. Explore side or passive income streams
13. Negotiate compensation aggressively

3 Health & Longevity (4 steps)

Protect the Machine

14. Cardio + strength exercise routine
15. Regular health checks & labs
16. Sleep discipline (7–8 hrs)
17. Nutrition for longevity

4 Lifestyle & Discipline (3 steps)

Minimize Waste, Maximize Freedom

18. Minimalism: reduce clutter & commitments

19. Structured daily routines/habits

20. Avoid lifestyle creep

5 Mindset & Philosophy (2 steps)

🧘 Think Decades, Not Days

21. Stoic patience: control what you can

22. Long-term horizon: 20–30 year view

Visual Legend / Flow

- Top row: Career → Income → Capital
- Middle row: Health + Lifestyle → Stability
- Bottom row: Mindset → Freedom → Early Retirement

Key Note: Each step is a checkpoint. Missing one slows progress, but all together they compound into early retirement and stress-resilient freedom.

If you like, I can turn this into a polished, infographic-style “roadmap card” with icons, arrows, and color blocks, so it’s ready to print on an index card or keep on your phone for daily glance.

Do you want me to create that visual version?