

HOW COVID-19 IS A REHEARSAL FOR RETIREMENT

Joseph Coughlin — Senior Advisor to WisdomTree

04/16/2020

COVID-19 is affecting every person on earth. We are all social distancing and likely worrying about our finances. But, this disease is also giving us a chance to reconnect with friends and loved ones through technology. And, perhaps more importantly, it's providing all of us a practice run at what retirement will actually be like.

Yes, countless older and younger working adults are concerned about how COVID-19's impact on investments may have derailed their retirement plans. But the fear of running out of money is only one dimension of retirement. COVID-19 has also caused drastic changes to daily routines and has brought many of us face to face with one of the biggest challenges in retirement—namely, what do you do with all your time?

If COVID-19 has become a sort of frustrating, repetitive blurring of days, you may be starting to gain a better understanding of what retirement may truly be like. ***In fact, for many retirees, structuring the day becomes a chore, rather than freedom from work.*** And while identifying and pursuing activities in the middle of a global contagion may be a lot to ask for, the pandemic certainly gives us time to understand what life will be like without the daily grind.

A question of health

Additionally, COVID-19 has poignantly spotlighted the urgency of taking care of our own mental and physical health as well as that of our loved ones. Suddenly, all of us are faced with the question, if I become ill, who will care for me and who will care for those that I love? The truth is that most of us will need some help in our advancing years. However, at the MIT AgeLab, we've found that few people have planned for how they will receive care or provide it to others.

Your retirement fire drill

Toronto-based Darren Coleman, Senior Vice President at Coleman Wealth at Raymond James, Ltd., describes the impact of COVID-19 as a "retirement fire drill for all of us."

Retirement is something that we save for and may even look forward to. But, distracted as we are by brochure images of beaches, bars and boats, we rarely see retirement for what it is—a seismic shift in life that must be prepared for.

The COVID-19 shutdown of work as we know it, social distancing, endless hours at home or at best in the neighborhood, is a trial run of life in retirement. An imperfect test? Yes, but your current COVID-19 experience is closer to what you may confront in retirement than any computer program querying you about your "retirement objectives." Take this moment to think about how well you are truly preparing for this entirely new life stage known as retirement:

- What will you do each day once you stop working?
- What will get you up for the likely 8,000 distinct mornings in retirement?
- Do you have a bucket list that doesn't last only for weeks or months, but one that lasts for decades?
- How will you take care of your mental and physical health?
- How will you provide care to a loved one—and have you put into place your own care plan for older age?

These are just a few COVID-19 trial run questions about life in retirement. For more information on how to redefine your retirement, click [here](#).

Important Risks Related to this Article

Joseph F. Coughlin, Ph.D., is a senior advisor to WisdomTree Investments, Inc., and WisdomTree Asset Management,

Inc., and, in connection with such engagement, is compensated for providing certain services to WisdomTree and its affiliates. This material contains the current research and opinions of Dr. Coughlin, which are subject to change and should not be considered or interpreted as a recommendation to participate in any particular investment strategy or deemed to be an offer or sale of any investment product, and it should not be relied on as such. There is no guarantee that any strategies discussed will work under all market conditions. This material represents an assessment of the market environment at a specific time and is not intended to be a forecast of future events or a guarantee of future results. This material should not be relied upon as research or investment advice. The user of this information assumes the entire risk of any use made of the information provided herein. Unless expressly stated otherwise, the opinions, interpretations or findings expressed herein do not necessarily represent the views of WisdomTree or any of its affiliates.

Foreside Fund Services, LLC, is not affiliated with the other entities mentioned.

For standardized performance and the most recent month-end performance click [here](#) NOTE, this material is intended for electronic use only. Individuals who intend to print and physically deliver to an investor must print the monthly performance report to accompany this blog.

For more investing insights, check out our [Economic & Market Outlook](#)

View the online version of this article [here](#).

IMPORTANT INFORMATION

U.S. investors only: Click [here](#) to obtain a WisdomTree ETF prospectus which contains investment objectives, risks, charges, expenses, and other information; read and consider carefully before investing.

There are risks involved with investing, including possible loss of principal. Foreign investing involves currency, political and economic risk. Funds focusing on a single country, sector and/or funds that emphasize investments in smaller companies may experience greater price volatility. Investments in emerging markets, currency, fixed income and alternative investments include additional risks. Please see prospectus for discussion of risks.

Past performance is not indicative of future results. This material contains the opinions of the author, which are subject to change, and should not to be considered or interpreted as a recommendation to participate in any particular trading strategy, or deemed to be an offer or sale of any investment product and it should not be relied on as such. There is no guarantee that any strategies discussed will work under all market conditions. This material represents an assessment of the market environment at a specific time and is not intended to be a forecast of future events or a guarantee of future results. This material should not be relied upon as research or investment advice regarding any security in particular. The user of this information assumes the entire risk of any use made of the information provided herein. Neither WisdomTree nor its affiliates, nor Foreside Fund Services, LLC, or its affiliates provide tax or legal advice. Investors seeking tax or legal advice should consult their tax or legal advisor. Unless expressly stated otherwise the opinions, interpretations or findings expressed herein do not necessarily represent the views of WisdomTree or any of its affiliates.

The MSCI information may only be used for your internal use, may not be reproduced or re-disseminated in any form and may not be used as a basis for or component of any financial instruments or products or indexes. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each entity involved in compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties. With respect to this information, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including loss profits) or any other damages (www.msci.com)

Jonathan Steinberg, Jeremy Schwartz, Rick Harper, Christopher Gannatti, Bradley Krom, Tripp Zimmerman, Michael Barrer, Anita Rausch, Kevin Flanagan, Brendan Loftus, Joseph Tenaglia, Jeff Weniger, Matt Wagner, Alejandro Saltiel, Ryan Krystopowicz, Jianing Wu, and Brian Manby are registered representatives of Foreside Fund Services, LLC.

WisdomTree Funds are distributed by Foreside Fund Services, LLC, in the U.S. only.

You cannot invest directly in an index.