# Article information:

The Bucket Investor’s Guide to Setting Retirement Asset Allocation | Morningstar  
<https://www.morningstar.com/articles/839520/the-bucket-investors-guide-to-setting-retirement-asset-allocation>

# Article summary:

1. Asset allocation guidance for retirees should be customized based on their cash flow needs.

2. Retirees should allocate money for short-term expenses in cash, intermediate-term expenses in high-quality bonds, and long-term expenses in higher-risk assets like stocks.

3. Personal considerations, such as risk tolerance and longevity, should also be taken into account when setting retirement asset allocation.

# Article rating:

Appears moderately imbalanced: The article provides some useful information, but is missing several important points or pieces of evidence that would be required to present the discussed topics in a balanced and reliable way. You are encouraged to seek a more balanced perspective on the presented issues by exploring the provided research topics and looking at different information sources.

# Article analysis:

The article titled "The Bucket Investor’s Guide to Setting Retirement Asset Allocation" by Morningstar provides a comprehensive guide for retirees to customize their retirement asset allocation framework. The article suggests that retirees should use their anticipated cash flow needs to develop a customized retirement asset-allocation framework. However, the article has some potential biases and missing points of consideration.

One-sided Reporting:

The article presents only one approach to retirement asset allocation, which is the Bucket system. While this system may work for some retirees, it may not be suitable for everyone. The article does not explore other approaches or strategies that retirees can use to allocate their assets in retirement.

Unsupported Claims:

The article claims that high-quality bonds have had better returns than cash over long time periods. However, the article does not provide any evidence or data to support this claim.

Missing Points of Consideration:

The article does not consider the impact of inflation on retirees' portfolios. Inflation can erode the purchasing power of cash and bonds over time, making it difficult for retirees to maintain their standard of living in retirement.

Unexplored Counterarguments:

The article does not explore any counterarguments to the Bucket system or other approaches to retirement asset allocation. For example, some experts argue that retirees should focus on generating income rather than total return in retirement.

Promotional Content:

The article promotes Vanguard Wellesley Income VWIAX as a conservative-allocation fund without providing any evidence or data to support its performance or suitability for retirees.

Partiality:

The article focuses primarily on retirees who have saved enough money to cover their expenses in retirement. It does not address the challenges faced by those who have not saved enough or who are relying solely on Social Security benefits.

In conclusion, while the Bucket system may work for some retirees, it is important to consider other approaches and strategies when allocating assets in retirement. The article could benefit from exploring counterarguments and presenting both sides equally while avoiding promotional content and addressing potential risks and challenges faced by all types of retirees.

# Topics for further research:

* Retirement asset allocation strategies beyond the Bucket system
* The impact of inflation on retirement portfolios
* Generating income vs. total return in retirement
* Challenges faced by retirees who have not saved enough for retirement
* Social Security benefits and retirement planning
* Performance and suitability of conservative-allocation funds for retirees

# Report location:

<https://www.fullpicture.app/item/b2bdc9b4b22087be6083a46ef6eb0efa>