

Two Tables from blog post of November 12, 2021.

Slightly different Spending Rates at Different mixes of stocks can result in exact same portfolio value in a future year.

At 85% mix, the spending rate needs to be about 3% less than at 75%.

The safe spending rate can be the same for a lower and a higher mix of stocks.

Mix of Stocks	Safe Spending Rate that hits same future target portfolio value in the 19th year	Percent lower Safe Rate relative to rate
55%	4.57%	-3.5%
60%	4.63%	-2.1%
65%	4.66%	-1.5%
70%	4.66%	-1.5%
75%	4.73%	0.0%
80%	4.67%	-1.4%
85%	4.58%	-3.3%
90%	4.43%	-6.3%
95%	4.40%	-6.9%

You have a value judgement: do you want to give up a little in current spending for the potential for greater future portfolio value in all but the Most Horrible sequences of returns ever?

At my choice of 85% mix, I give should target ~3% less in current spending relative to a mix of 75% for the expected result of five times more portfolio value per year over the next 20 years.

Assumes initial \$1 million portfolio value.

Mix of Stocks	Safe Spending Rate: hits same target	Compared to Base Case of mix of 75% stocks				Ratio: Average Expected Gain divided by Annual Less Spending
		Lower annual safe spending relative to \$1 million starting portfolio value	Real portfolio Value in 20th year at expected rates of return*	Difference from base case of 75% mix	Difference Averaged over 20 years	
55%	4.57%	(\$1,660)	\$1,107,000	(\$173,300)	(\$8,670)	na
60%	4.63%	(\$970)	\$1,141,800	(\$138,500)	(\$6,930)	na
65%	4.66%	(\$690)	\$1,187,200	(\$93,100)	(\$4,660)	na
70%	4.66%	(\$690)	\$1,241,500	(\$38,800)	(\$1,940)	na
75%	4.73%	\$0	\$1,280,300	\$0	\$0	na
80%	4.67%	(\$640)	\$1,355,400	\$75,100	\$3,760	5.9
85%	4.58%	(\$1,550)	\$1,442,300	\$162,000	\$8,100	5.2
90%	4.43%	(\$2,980)	\$1,550,200	\$269,900	\$13,500	4.5
95%	4.40%	(\$3,280)	\$1,629,500	\$349,200	\$17,460	5.3
100%	4.39%	(\$3,279)	\$1,707,000	\$426,700	\$21,340	6.5

* I use expected returns for stocks of 7.1% and 2.6% for bonds less the withdrawal rate.