

Aviva's John Lawson on the choice between annuities and income drawdown

John Lawson – Head of Policy Aviva

I think in choosing between annuity and drawdown, it's often been a polarised debate before that annuity bad here drawdown good, or drawdown bad annuity good. It's often been two polarised camps. I don't think that's the way to look at the problem.

I think looking at the advantages of one product solution like an annuity where you can't run out of money before you die versus drawdown where you can run out of money, or drawdown where you might end up with a higher retirement income because you can afford to invest in assets which produce a better return, versus annuity which has to invest in safer assets and therefore produces lower returns.

Both options have their pluses and minuses and it's about finding the right mix between those two options that suit you rather than trying to say this is a good one and this is a bad one. It's not either or, it can be a mixture of both.

To read about Aviva's analysis of retirement options see our investment special report [here](#)

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