What Is Monte Carlo Analysis?

How Does It Protect You During a Black Swan Event?

A CLEARER TOMORROW STARTS TODAY



Monte Carlo can help test whether a retirement plan survives thousands of modeled futures. But it cannot tell you which future is coming - or when the next market shock will arrive.

Monte Carlo is a stress test - not a crystal ball.

A Monte Carlo analysis runs many hypothetical market paths using assumptions for returns, volatility, inflation, withdrawals and longevity. The result is usually expressed as a probability of success. Useful? Yes. A prediction? No.

1 WHAT IT DOES

Tests many possible paths

Shows how a plan behaves across a wide range of modeled market outcomes.

2 WHAT IT CAN'T DO

Predict the next shock

A probability score cannot know the timing, depth or exact shape of a future crisis.

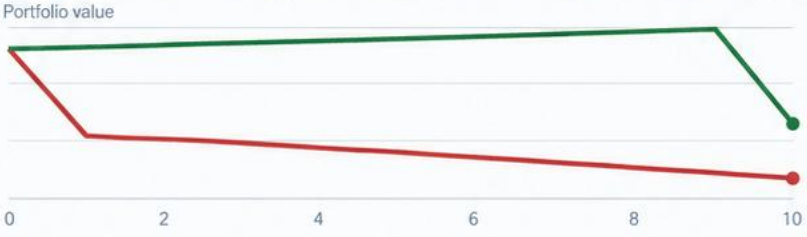
3 WHERE RISK LIVES

Early-retirement selling

Losses plus withdrawals early in retirement can permanently reduce the capital left to recover.

The same market shock can do very different damage depending on when it happens.

Illustration: $1,000,000 starting portfolio, $50,000 annual withdrawals, 6% in other years, one -35% shock.



Shock in Year 1
≈ $434,000 after 10 years

Same shock in Year 10
≈ $670,000 after 10 years

A confidence score can be useful - but it is not protection.

ASSUMPTIONS IN
Returns, volatility and inflation are estimates.

PROBABILITY OUT
A 90% result still includes modeled failures.

UNKNOWN EVENTS
A true black swan may not resemble the history used to build the model.

Explore with Very Little Risk.

For just $199 a year, you can find out if Blueprint Tomorrow is a better alternative for your retirement. No account linking. No sales pressure. No obligations.

Build Your Blueprint ›

A clearer tomorrow starts today.

No account linking required | Your information stays private | Transparent assumptions and methodology | Built for all 50 states and D.C. | Ongoing check-ins as life changes

Illustration only; not a forecast. Sources: Fidelity Viewpoints (sequence-of-returns risk, 2026); Morningstar retirement research (sequence risk, 2026).
Blueprint Tomorrow provides education and planning tools, not investment management.