



# Risk Tolerance Assessment

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Answer these questions honestly to determine your investment risk tolerance. Your score will suggest an appropriate asset allocation strategy.

## Part 1: Time Horizon

### 1. When do you expect to need this money?

- ☐ Less than 3 years
- ☐ 3-5 years
- ☐ 6-10 years
- ☐ 11-20 years
- ☐ More than 20 years

### 2. How stable is your income?

- ☐ Very unstable (gig work, commission)
- ☐ Somewhat unstable
- ☐ Moderately stable
- ☐ Stable salaried position
- ☐ Very stable (tenured, government)

## Part 2: Financial Situation

### 3. How many months of expenses do you have in emergency savings?

- ☐ None
- ☐ 1-2 months
- ☐ 3-5 months
- ☐ 6-12 months
- ☐ More than 12 months

### 4. What percentage of your income are you able to save?

- ☐ 0% - Living paycheck to paycheck
- ☐ 1-5%
- ☐ 6-10%
- ☐ 11-15%
- ☐ More than 15%

## Part 3: Emotional Temperament

### 5. If your portfolio dropped 20% in one month, you would:

- ☐ Sell everything immediately
- ☐ Sell some to reduce risk

- ☐ Hold and wait to see what happens
- ☐ Buy more at lower prices
- ☐ Significantly increase buying

**6. Which statement best describes your investment philosophy?**

- ☐ I can't afford to lose any money
- ☐ I prefer safety over returns
- ☐ I want balance between safety and growth
- ☐ I prioritize growth, accepting some risk
- ☐ Maximum growth, I can handle big swings

**7. How would you feel if your investment lost 30% of its value?**

- ☐ Devastated - couldn't sleep at night
- ☐ Very worried and anxious
- ☐ Concerned but manageable
- ☐ Somewhat uncomfortable but okay
- ☐ Fine - it's part of investing

**Reflection: Does this result match how you think about money? Why or why not?**

Consider whether your answers reflected your true feelings or what you think you should feel...

### **How might your risk tolerance change in different life situations?**

Think about marriage, having children, job changes, approaching retirement...