



Investment Policy Statement

Create your personal Investment Policy Statement (IPS) - a written document that guides your investment decisions and helps you stay disciplined during market volatility.

Section 1: Investor Profile

Name:

Date:

 

Current Age:

Target Retirement Age:

Investment Time Horizon:

 

Risk Tolerance:

 

Section 2: Investment Objectives

Primary Investment Goal:

 

Target Return (Annual):

 

Maximum Acceptable Loss in One Year:

 

Section 3: Target Asset Allocation

Asset Class	Target %	Min %	Max %
US Stocks (Large Cap)	35	25	45
US Stocks (Small/Mid Cap)	10	5	15
International Stocks	20	10	30
Bonds	25	15	35
Real Estate (REITs)	5	0	10
Cash	5	2	10
Total	100%		

Section 4: Rebalancing Rules

Rebalancing Frequency:

Quarterly

Semi-annually

Annually

Threshold Triggers (rebalance when allocation drifts by):

±5% from target ▼

Section 5: Behavioral Guardrails

Pre-commit to these rules to avoid emotional decisions:

IF market drops 20% → Stay the course - do not sell ▾

IF a "hot tip" seems tempting → Ignore - stick to my plan ▾

IF I need money urgently → Use emergency fund first ▾

My personal "never do" list:

e.g., Never invest in anything I don't understand, never put more than 10% in one stock, never check portfolio daily...

Section 6: Review Schedule

I will review this IPS:

Annually on my birthday ▾

Life events that trigger review:

e.g., Marriage, new job, inheritance, having children...

Commitment

I commit to following this Investment Policy Statement and will not make changes based on short-term market movements or emotions.

Signature

Date

Next Review Date