Portfolio Planning Worksheet

Chapter 5.1: Saving and Investing

Introduction

This worksheet will help you create a personalized saving and investing strategy based on your financial goals, time horizon, and risk tolerance. By completing each section, you'll develop a comprehensive plan that integrates the saving and investing concepts covered in this chapter.

> **Why Portfolio Planning Matters:** A thoughtful, well-structured portfolio aligns your financial resources with your specific goals and circumstances. This planning process helps you make intentional decisions about where to save versus invest, how to allocate your assets, and what specific financial vehicles to use. The result is a roadmap that will guide your financial decisions over time.

Section 1: Financial Goals Assessment

Begin by identifying your financial goals. Include both short-term and long-term objectives.

Financial Goal	Target Amount	Timeframe	Priority (High/Medium/Low)	Better for Saving or Investing?

Does your list include both short-term and long-term goals? What's the balance between them?

Based on your goals analysis, what percentage of your available funds should go toward saving versus investing?

Section 2: Risk Tolerance Assessment

Understanding your comfort level with financial risk is crucial for creating an appropriate portfolio.

How would you react if your investment suddenly decreased in value by 20%?

What's more important to you: growing your money significantly over time or protecting it from losses?

How much investment experience do you have?

If you had to choose between an investment with a steady 4% return and one with potential returns ranging from -5% to 15%, which would you prefer and why?

Based on your answers above, how would you rate your overall risk tolerance?

Low Risk High Risk

Conservative | Moderately Conservative | Moderate | Moderately Aggressive | Aggressive

Section 3: Investment Objectives

Identify your primary investment objectives based on your goals and risk tolerance.

- ☐ Capital Preservation (minimizing risk of loss)
- ☐ Income Generation (regular income from investments)
- ☐ Growth (increasing value over long periods)
- ☐ Balanced Approach (mixture of income and growth)
- ☐ Speculation (potential for high returns with high risk)
- ☐ Other: ____

How do your investment objectives align with your financial goals and time horizons?

Section 4: Asset Allocation Strategy

Based on your risk tolerance and goals, determine how you would allocate your investment portfolio among different asset classes.

Create your target allocation by filling in percentages (should total 100%):

Asset Class	Description	Allocation %
Cash/Cash Equivalents	Savings accounts, money market funds, CDs, Treasury bills	
Bonds/Fixed Income	Government bonds, corporate bonds, bond funds	
Stocks/Equities	Individual stocks, stock mutual funds, ETFs	
Other	Real estate, commodities, alternatives	
	Total:	

Your Portfolio Allocation

Cash Bonds Stocks

Why did you choose this allocation? How does it reflect your risk tolerance and time horizons?

How might you adjust this allocation in the future as your goals or circumstances change?

Other

Section 5: Account Selection

Identify specific accounts or investment vehicles for each of your financial goals.

Financial Goal	Saving or Investment Account Type	Why This Account Type?

What tax considerations influenced your account selections?

Section 6: Implementation Plan

Create a specific action plan for implementing your saving and investing strategy.

How much can you realistically commit to saving and investing each month?

How will you allocate this amount among your different goals and accounts?

Will you use dollar-cost averaging or lump-sum investing? Why?

How will you monitor and rebalance your portfolio over time?

Action Steps

List specific actions you'll take to implement your strategy, with target completion dates.

- [ ]

By when:

- [ ]

By when:

- [ ]

By when:

- [ ]

By when:

- [ ]

By when:

Section 7: Reflection and Further Learning

What was the most important insight you gained from creating this portfolio plan?

What aspects of saving and investing do you want to learn more about?

What potential obstacles might prevent you from implementing this plan, and how will you address them?

How will you track your progress toward your financial goals?

Next Steps: Remember that a portfolio plan is a living document that should evolve as your life circumstances change. Plan to review your strategy at least annually or whenever you experience significant life changes (career shifts, marriage, children, etc.). Starting with a thoughtful plan is the first step toward financial success, even if you have limited funds to begin with. The habits and knowledge you develop now will serve you throughout your financial life.