

# FINANCIAL PLANNING REPORT

## ***Personalized Portfolio Recommendation***

### **Client Profile**

Age: 35 years | Risk Tolerance: Moderate

Investment Goal: Retirement

Time Horizon: 25 years

Constraints: ESG focus, no oil companies

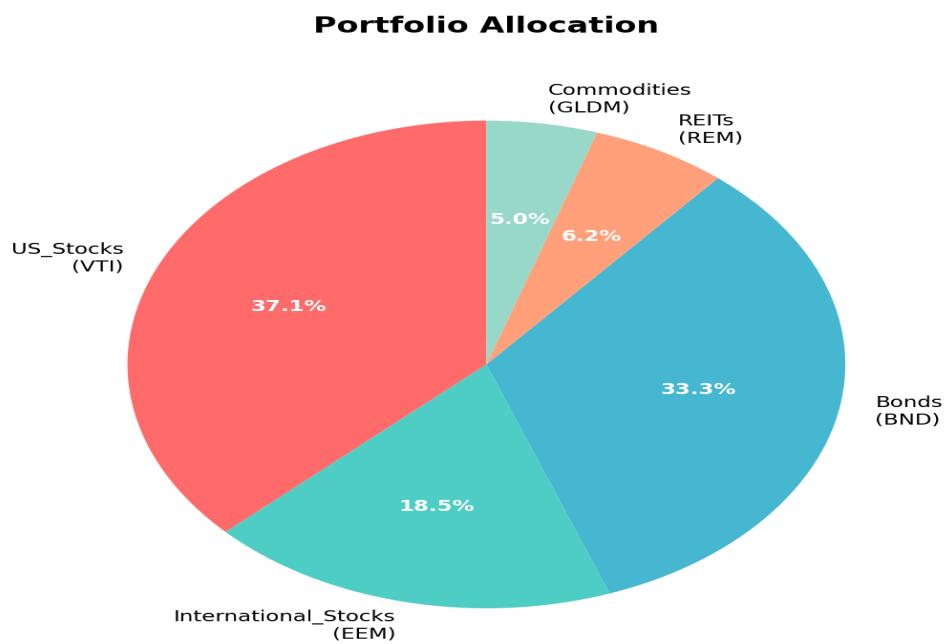
## **Executive Summary**

This financial plan presents a diversified portfolio strategy tailored for a 35-year-old client with moderate risk tolerance, aiming to achieve retirement goals over a 25-year timeframe. The proposed allocation, consisting of 55.6% equities and 33.3% bonds, further diversified with REITs and commodities, is designed for robust long-term growth while managing risk. A 1-year backtest demonstrated a strong 15.4% return with a Sharpe ratio of 1.15, controlling maximum drawdowns to -10.7%. Continuous monitoring and potential refinements will ensure the strategy remains optimally aligned with the client's evolving needs and long-term objectives.

Market Sentiment	NEUTRAL	Economic Regime	Goldilocks
Validation Status	■ Review	Rebalance Attempts	2

## 1. Portfolio Allocation

Asset Class	Allocation	ETF	Fund Name
US Stocks	37.1%	VTI	Vanguard Total Stock
Bonds	33.3%	BND	Vanguard Total Bond
International Stocks	18.5%	EEM	iShares MSCI Emerging
REITs	6.2%	REM	iShares Mortgage REIT
Commodities	5.0%	GLDM	SPDR Gold MiniShares



## 2. Constraint Analysis

**Exclusions:** oil, fossil\_fuel

**ESG Preference:** Required

**Excluded ETFs (4):** DBC, XLE, VDE, GSG

## 3. Economic Analysis

**Current Regime:** Goldilocks

Indicator	Value
Fed Rate	fed_rate: 3.89 (as of 2025-12-09)
Inflation	inflation: 324.37 (as of 2025-09-01)
Unemployment	unemployment: 4.40 (as of 2025-09-01)
Gdp	gdp: 3.80 (as of 2025-04-01)

## 4. Research Summary

My research involved screening top ETFs for each asset class, prioritizing ESG-friendly options for this moderate-risk investor with a 25-year time horizon. For US Stocks and Bonds, I conducted a side-by-side comparison of the top two candidates, ultimately selecting VTI and BND, respectively, due to their ESG alignment. Market news indicates a cautiously optimistic outlook for US Stocks and the broader bond market. While some top-ranked ETFs in International Stocks and REITs were not ESG-compliant, they were selected as the best available candidates after screening.

## 5. Market News & Sentiment

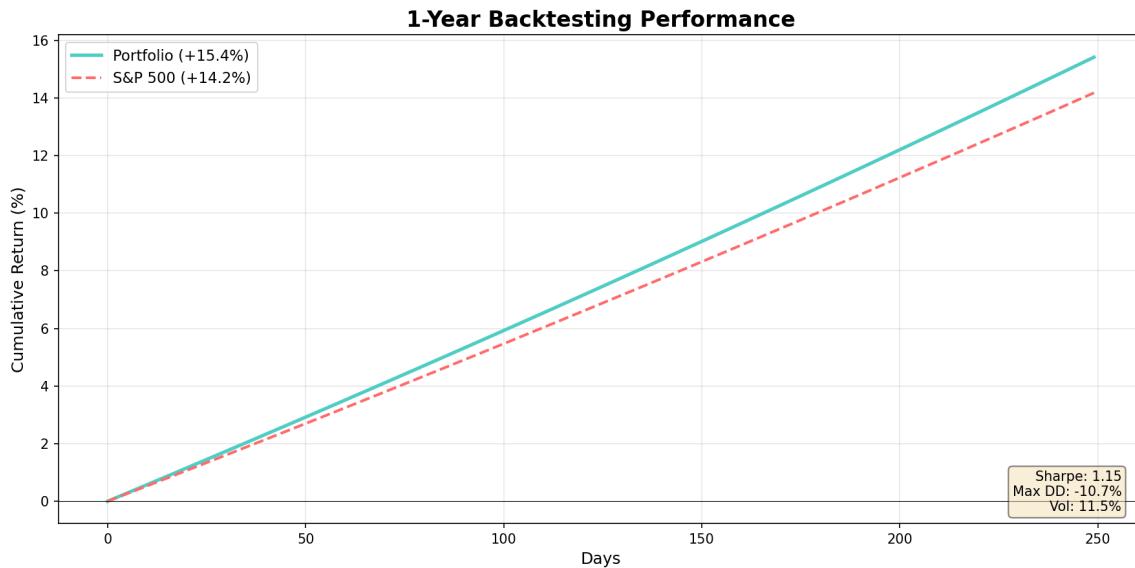
**Overall Sentiment:** NEUTRAL

Market analysts across various financial news outlets are expressing cautious optimism regarding the performance of VTI, EEM, BND, and REM. Despite prevailing economic uncertainty, there is reported sustained interest in these ETF categories, evidenced by continued inflows. Experts are actively evaluating the performance outlook for these diversified funds heading into 2025.

### Key Risks:

- Broad economic uncertainty remains a significant overhang, potentially impacting all asset classes within the portfolio.
- The generic nature of the news provides little specific insight, meaning unforeseen market shifts could catch the portfolio off guard.

## 6. Historical Performance Analysis



Metric	1 Year	3 Years
Total Return	15.42%	49.19%
Annualized Return	0.00%	0.00%
Sharpe Ratio	1.15	1.20
Max Drawdown	-10.68%	-10.68%
Volatility	11.47%	N/A
Best Day	5.65%	N/A
Worst Day	-3.59%	N/A

## 7. Decision Reasoning

### ***User Profile Analysis:***

- **Age 35:** Base stock allocation = 65% (100 - age rule)
- **Risk Tolerance (moderate):** No adjustment (moderate baseline)
- **Goal:** Retirement
- **Time Horizon:** 25 years

### ***Economic Regime Impact:***

- Regime: Goldilocks → Optimal conditions — balanced portfolio approach

## 8. Validation & Compliance

**Status:** ■ REVIEW RECOMMENDED

### ***Validation Steps:***

- Step 1 - Age Appropriateness: ■
- Step 2 - Goal Alignment: ■
- Step 3 - Risk Tolerance Match: ■
- Step 4 - Constraint Compliance: ■
- Step 5 - Risk Metrics: ■

**Note:** Portfolio was rebalanced 2 time(s) due to validation concerns.

**DISCLAIMER:** This report is generated for educational purposes only and does not constitute financial advice. Past performance is not indicative of future results. Consult a qualified financial advisor before making investment decisions.