Observe the table below. You will find some sample questions filled for the entities using the 5Ws + HOW framework. Fill in the questions with blanks ----? with suitable questions that you would ask to know the situation better.

**Questions**

|  | **Client/Prospect** | **Investment fund** | **Securities** | **Investment horizon** | **Financial goals** |
| --- | --- | --- | --- | --- | --- |
| **Who?** | Who is the investor assigned to you? | Who is willing to invest fund? | Who is gonna taking the risk involved and the returns they provide? | Who is gonna expects to hold a security or a portfolio? | Who is gonna invests the present wealth with a goal in mind? |
| **What?** | What’s the job of that assigned investor? | What is the total fund that the client is willing to invest? | What’s the security factor in terms of risk and returns? | What’s the time duration the total duration of time that an investor expects to hold a security or a portfolio? | What are the financial goals of the individual who will be assessed? |
| **When?** | When the investor should be assigned? | When the client wants to invest? | When the security factors risk or returns would make an impact? | When does the client intend to withdraw the returns? | When the financial goal would get achieved? |
| **Which?** | Which part of the world the client belongs to? | Which investment fund the client wants to opt for? | Which of the securities will provide the best returns? | Which investment horizon is chosen by the client? | Which financial goals are aligned with the investment? |
| **Where?** | Where did the client finish his/her schooling? | Where does the investment take place? | Where does the client wish to invest the available funds? | Where the security factors lies on with respect to the investor portfolio? | Where do the financial goals could make an impact considering the client’s life objectives and interests? |
| **How?** | How does she/he manage his/her lifestyle? | How the investment plan would help her in the future? | How the security can be ensured by minimizing risks and maximizing returns? | How the hold time could increase the benefit or help client to address the immediate needs? | How does the individual intend to use the returns from the investment? |

Complete the document with the relevant questions. You must provide an answer to each question using the information provided about the investor and the available securities in the videos.

**Answers**

**Client/Prospects**1. Institutional Investor or social impact investor could be a perfect assigned investor in this regards.

2. The job is to recommend the best suited portfolio for stock market investment and social investment for the client.

3. Investors for Stock market should be assigned at the earliest. Social impact investors can be assigned later.

4. The client belongs to Ukraine.

5. The client finished her schooling in US.

6. Being the daughter of a famous business tycoon, she is reserved and conservative person, believes in a simple humble and simple living.

**InvestmentFund**1. Institutional Investor is willing to invest fund.

2. The client wants to invest 10million dollar

3. The client wants to invest within next 3months.

4. The client wish to invest in a fund where the risk can be minimized with maximum returns.

5. Within the category of risk-averse with the influence of investment time span.

6. As she has refused to take any help from her parents in establishing the NGO; so the present investment return would assist her in terms of financial backup. Apart from this, this investment could be seen as her life-long savings.

**Securities**

1. The Risks and return will be taken care by the client but it depends on the asset allocation

2. Business Risk, Call Risk, Allocation Risk, Political Risk and Dividend Risk are few of them.

3. When more than one factors would create a strong negative impact, it could be a serious issue for a balanced portfolio as well.

4. Risk and return are inversely proportional. A riskier asset is the one which shows higher variation, and hence, the potential of returns is also high.

5. The client wish to invest in Equity Stocks, ETFs and Real Estate.

6. The security can be ensured by minimizing risks and maximizing returns by following a diversification in the portfolio. In other words, asset allocation should be diversified.

**Investment Horizon**

1. 10-20years investment horizon is chosen by the client.

2. Equities are often considered for long-term capital appreciation and growth. Investors with higher risk tolerance and longer time horizons may allocate a significant portion of their portfolio to stocks. However, the specific allocation will depend on factors like the investor's age, financial goals, and risk appetite. ETFs offer diversification across a range of assets and can be included in a portfolio to achieve specific investment objectives. The allocation to ETFs will depend on the investor's desired exposure to different markets, sectors, or asset classes. It's important to note that asset allocation should be customized to the individual's circumstances, and there is no one-size-fits-all approach. A balanced and diversified portfolio often includes a mix of these securities to manage risk and optimize returns based on the investor's unique goals and preferences.

3. After 5years, 10years and 20years.

4. 5years for Social Impact Investment and 20years for personal growth segment.

5. Equity and Commodities or Real Estate could generate the best return but it is subject to market conditions, individual investment goals, risk tolerance, and time horizon.

6. Long-Term Benefits: Holding investments for an extended period, typically over several years or more, allows the potential for long-term benefits. Many securities, such as stocks and real estate, have historically shown the potential for capital appreciation and higher returns over longer time horizons. By holding investments for the long term, investors can benefit from compounding returns and potentially achieve their financial goals, such as retirement planning, education funding, or wealth accumulation.

Risk Management: A longer investment horizon can help mitigate short-term market fluctuations and volatility. By maintaining a longer time frame, investors have a better chance of weathering market downturns and benefiting from potential recovery or growth periods. Short-term market fluctuations may impact investments negatively, but holding investments for an extended period can smooth out the impact of short-term volatility.

Addressing Immediate Needs: While longer holding periods generally provide more significant benefits, investors may have immediate financial needs or short-term goals. In such cases, it's important to balance the need for immediate liquidity with long-term investment objectives. Allocating a portion of the portfolio to more liquid and stable assets like cash, money market funds, or short-term bonds can help address immediate needs while still allowing the remaining investments to grow over the long term.

Diversification and Flexibility: Longer holding periods provide the flexibility to diversify a portfolio and invest in a range of securities across different asset classes. Diversification helps spread risk and potentially enhance returns. Investors with longer time horizons can allocate a portion of their portfolio to higher-risk investments like equities, while also including lower-risk assets like bonds and cash equivalents. This diversification can balance risk and potentially increase the likelihood of achieving both short-term and long-term financial goals.

**Financial Goal**

1. The client is gonna invest.

2. Clarity and Focus: Financial goals provide clarity and direction for an individual's financial decisions. They help clients identify what they want to achieve, whether it's buying a home, saving for education, starting a business, or planning for retirement. By setting specific financial goals, clients can prioritize their actions and allocate resources accordingly.

Tailored Investment Approach: Financial goals influence the investment approach and asset allocation strategy. Different goals have different time horizons and risk tolerance levels. Short-term goals, like saving for a down payment on a house in a few years, may require a more conservative investment approach with a focus on capital preservation. Long-term goals, such as retirement planning, can accommodate a higher risk tolerance and a more growth-oriented investment strategy. Aligning the investment approach with the specific financial goals helps clients make strategic investment decisions.

Risk and Return Trade-Off: Financial goals help determine the appropriate risk and return trade-off. Higher-risk investments have the potential for higher returns but may also involve greater volatility. Clients with longer time horizons and aggressive financial goals may be willing to take on more risk in pursuit of higher returns. Conversely, clients with shorter time horizons and more conservative goals may prioritize capital preservation and opt for lower-risk investments. Balancing risk and return based on financial goals is crucial in aligning investments with client interests.

Lifestyle and Aspirations: Financial goals are closely tied to an individual's lifestyle and aspirations. Clients' life objectives and interests influence their desired standard of living, retirement plans, travel goals, philanthropic endeavors, and more. Understanding these aspirations allows financial planning to incorporate the necessary steps and financial resources required to support and achieve these goals.

Flexibility and Adaptability: Financial goals are not set in stone and can evolve over time. As clients progress through different life stages, their goals may change due to shifts in personal circumstances, family dynamics, career choices, or economic conditions. Regular reviews and reassessment of financial goals ensure that the financial plan remains aligned with the client's evolving objectives and interests.

3. One short term goal and other one is long term

4. Equity and Real Estate

5. Social and Personal investment plans are included in the portfolio.

6. Income Generation: Some individuals invest with the goal of generating a regular income from their investments. They may rely on the returns to supplement their primary source of income or cover specific expenses. Dividends from stocks, interest payments from bonds or fixed income securities, and rental income from real estate investments are examples of investment returns that can provide a steady income stream.

Capital Growth and Wealth Accumulation: Many individuals invest with the objective of growing their capital over time. They aim to benefit from the appreciation of their investments, with the intention of building wealth and achieving long-term financial goals. The returns generated from investments, such as stocks, mutual funds, or real estate, can be reinvested to compound growth and increase the overall value of the investment portfolio.

Retirement Planning: Investment returns are often utilized to fund retirement expenses. Individuals may invest in retirement accounts like 401(k)s, IRAs, or pension plans with the aim of accumulating a substantial nest egg. The returns generated by these investments, combined with contributions made over time, can provide income during retirement and help individuals maintain their desired lifestyle.

Education Funding: Investment returns can be earmarked for educational purposes, such as funding higher education for children or personal development. Investments like education savings accounts (ESAs) or 529 plans allow individuals to invest specifically for educational expenses, and the returns generated can be used to cover tuition fees, books, or other educational costs.

Philanthropy and Charitable Giving: Some individuals may choose to use investment returns to support charitable causes and make a positive impact in their communities. By directing a portion of their investment returns towards philanthropy, individuals can contribute to charitable organizations, fund scholarships, or support social initiatives aligned with their values.

Reinvestment and Portfolio Growth: Rather than utilizing investment returns immediately, individuals may choose to reinvest the returns back into their portfolio. Reinvestment allows for the compounding of returns over time and can help accelerate portfolio growth and potential wealth accumulation.

Ultimately, how an individual intends to use investment returns depends on their unique financial goals, circumstances, and personal priorities. It's essential to align investment strategies with the intended use of returns to ensure that investment decisions are in line with an individual's specific objectives. Working with a financial advisor can provide valuable guidance in designing an investment plan that supports the intended use of investment returns.