

Saturday's NYTimes

How Much of Your Nest Egg to Put Into Stocks? All of It

Retiring

By DAVID A. LEVINE FEB. 12, 2016



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LET'S say you were persuaded by my argument in last week's Retiring column — contrary to the advice offered by most financial experts — that you should not reduce your exposure to the stock market as you grow older. Or you're at least willing to listen to this contrarian advice.

But now what? Whatever your age, how much of your investments should be in equities? Should it be 30 percent? 60 percent? 90

percent?

No less an authority than Warren E. Buffett has stated that 90 percent is the right answer. That's a level of investment in stocks that many investors, not just older ones, find dangerously uncomfortable, particularly when the stock market is as volatile as it has been lately. Yet Mr. Buffett, the most renowned investor of our time, established a trust for his wife that puts 10 percent of his bequest in short-term government bonds with the remainder invested in a broad-based stock index fund.

But even Mr. Buffett's advice may be too conservative.

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