Investor Profile Quiz

It's your strategy. You decide where to invest contributions to your retirement savings plan account from the options available to you. Your retirement goals, savings rate, available income assets, and your investor profile are all a part of determining your asset allocation. This worksheet will help you understand the type of investor you are. Your score is one tool you can use in deciding which investment choices may best suit your needs.

Step 1: What Type of Investor Are You?

Read the statements below and use the key below to rank whether you agree or disagree on a scale from 1 to 5.

	1 strongly disagree	2 disagree	3 neutral	4 agree	5 strongly agree
To obtain above-average returns on my investments, I am willing to accept above-average risk of investment losses.	☐	☐	☐	☐	☐
Staying ahead of inflation is more important to me than maintaining stable principal values	☐	☐	☐	☐	☐
If an investment loses money over the course of a year, I can easily resist the temptation to sell it	☐	☐	☐	☐	☐
I do not plan on withdrawing my retirement money for major expenses before I retire	☐	☐	☐	☐	☐
I consider myself knowledgeable about economic issues and personal investing	☐	☐	☐	☐	☐

Add up the numbers you have checked to see where your score falls on the investor profile.

Investor Profile

5 10 15 20 25

CONSERVATIVE **MODERATE** **AGGRESSIVE**

Step 2: Determine Your Time Horizon

Desired retirement age – Current age = Time Horizon

Step 3: Determine The Asset Allocation That's Right For You

To plan the mix that's best for you, you'll want to consider your investor profile (aggressive, moderate, or conservative) and how long you have to invest (time horizon).

Your employer's retirement savings plan offers you investment choices from one or more of these basic categories:

Cash/stable value – Cash investments (money market securities) offer the lowest potential return of the basic categories but carry the least risk of losing your invested money. Stable value investments (guaranteed investment contracts) offer low risk and returns that historically have been at, or slightly above, inflation.

Bonds (fixed income) – generally offer a moderate potential return but carry less risk of loss than stocks.

Stocks (equities) – generally offer the highest potential return but carry the greatest risk of losing the money you have invested

Look at the allocation examples below. Then write down a tentative plan for dividing up your retirement investments. As you make your allocation decision, be sure you consider all factors, including your other assets, income, and investments, in addition to the balance in this plan.

Sample Asset Allocations: Where Do You Fit?

Conservative		Moderate		Aggressive	
Age 20-40		**Age 20-40**		**Age 20-40**	
Cash/Stable Value	15-30%	Cash/Stable Value	10-20%	Cash/Stable Value	0%
Bonds	20-40%	Bonds	15-25%	Bonds	0-10%
Stocks	40-60%	Stocks	60-75%	Stocks	90-100%
Age 40-55		**Age 40-55**		**Age 40-55**	
Cash/Stable Value	25-40%	Cash/Stable Value	20-30%	Cash/Stable Value	0%
Bonds	25-45%	Bonds	25-40%	Bonds	15-25%
Stocks	30-50%	Stocks	40-60%	Stocks	75-100%
Age 55-65		**Age 55-65**		**Age 55-65**	
Cash/Stable Value	30-40%	Cash/Stable Value	25-35%	Cash/Stable Value	0-20%
Bonds	40-75%	Bonds	40-75%	Bonds	25-50%
Stocks	0-30%	Stocks	30-50%	Stocks	50-75%

Note: In applying any asset allocation model to your individual situation, you should consider your other assets, income, and investments (for example, your home equity, IRA investments, savings accounts, and other retirement accounts), in addition to the balance in this plan.

Write a Tentative Allocation for Your Account in the Spaces Below

Cash/Stable Value ___________%
Bonds ___________%
Stocks ___________%
Total 100%

Bear in mind your retirement plan may also include Balanced Funds and/or Target Date Funds, which you may also wish to consider. Such funds offer professionally managed portfolios and require less maintenance for retirement investors.