Retirement Planning

What are Your Investment Preferences?

Consider each pair of words below as a continuum. Place an "x" on each line of the continuum to indicate how important each of these features is to you. Marking the middle of a line would therefore mean that the features were of equal importance.

- Low risk (Safety) ___________ High risk
- Low rate of return ___________ High rate of return
- Low capital growth ___________ High capital growth
- High capital preservation ___________ Low capital preservation
- Not very liquid ___________ Highly liquid
- Short-term maturity ___________ Long-term maturity
- Taxable _________ Tax exempt
- No minimum investment ___________ High minimum investment
- Low costs and fees ___________ High costs and fees
- Little or no management required ___________ Much management required
- Present income ___________ Capital growth
- Conservative ___________ Aggressive

Review your responses carefully.

Check for inconsistencies in the preferences you have indicated. (For example, do you prefer things that are unlikely to come together, e.g., low risk and high return?) Work to understand and resolve inconsistencies and differences in order to assure that your overall investment strategies and asset allocation are consistent with both your needs and your preferences.


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