

RISK PROFILE ANALYSIS

In our ever-changing world, where options are seemingly limitless, there is a need for financial security. When investing your hard earned money, it is important to know what your individual risk profile has been considered. **Paul Roelofse CFP (Licensee)** has recognised that every investor is unique and has devised a set of questions which, when answered, will provide guidance as to the risk profile of portfolios which should be used for your investment. Please take a few minutes to answer these questions in order to determine your risk profile. You can then elect to invest in risk-profiled portfolios that are professionally managed by leading asset managers in accordance with your individually identified risk profile.

QUESTIONNAIRE

1.	Which one of these investments would you feel more comfortable owning?	Choice
	a. Fixed deposits.	
	b. Government stock.	
	c. Shares in older established companies	
	d. Blue Chip International investments	
	e. Shares in overseas emerging markets	
2.	Is your future financial goal?	Choice
	a. Vital, such as saving for your child's future education or saving for your retirement	
	b. Important, such as paying off your car early?	
	c. A luxury that you can do without, such as an overseas holiday?	
3.	What is your primary financial goal?	Choice
	a. Capital Protection: Protection of your capital against a decline in the market value of your investments.	
	b. Current Income: To receive an income generated from your investments.	
	c. Consistency: A high degree of stability and predictability of your investment return over time.	
	d. Long-Term Inflation Hedge: High degree of protection of long-term purchasing power of your investment.	
	e. Capital Appreciation: Increase in market value of your investments, primarily through capital growth in excess of inflation.	
4.	Which of the following investment returns would most appeal to you if you were to invest an initial amount of R20 000 for one year?	Choice
	a. A guaranteed amount of R21 000	
	b. Any amount between R20 000 – R22 000	
	c. Any amount between R18 000 – R23 000	
	d. Any amount between R15 000 – R26 000	
	e. Any amount between R0 – R30 000	
5.	Please select the statement most applicable to you:	Choice
	a. I would rather protect my assets, even though there may be limited growth potential.	
	b. I would rather experience steady growth each year.	
	c. I would like high growth even though it may mean very volatile returns in the short term.	
6.	Please select the statement most applicable to you:	Choice
	a. I believe I will not have enough money for my goal and therefore do not want to loose what I already have.	
	b. I believe that I will have enough money for my goal and therefore would like a consistent long-term investment.	
	c. I believe that I will have more than enough money for my goal and therefore can afford to be more aggressive with the investments that I make.	

		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Choice
7.	I am prepared to accept short-term losses if I believe the long-term returns will be good.	A	B	C	D	E	
8.	I would quit my job and start my own business if the right opportunity arose.	A	B	C	D	E	
9.	I expect my investment earnings to increase in line with inflation over the next 5 years.	A	B	C	D	E	
10.	I have sufficient funds set aside to cover most emergencies.	A	B	C	D	E	

Scoring

Please give yourself the following scores depending on the answer you gave, and then add up your scores:

Question No.	A	B	C	D	E	Your score
1.	1	2	3	4	5	
2.	1	3	5			
3.	1	2	3	4	5	
4.	1	2	3	4	5	
5.	1	3	5			
6.	1	3	5			
7.	5	4	3	2	1	
8.	5	4	3	2	1	
9.	1	2	3	4	5	
10.	5	4	3	2	1	
Total Score						

Investment Portfolio Guide

According to the score you obtained, you will be placed in one of the categories below:

Score	Risk Profile
10 – 20	Conservative Conservative investors are investors who want stability and are more concerned with protecting their current investments than increasing the real value of their investment.
21 – 26	Moderately Conservative Moderately conservative investors are investors who want to protect their capital, and achieve some real increase in the value of their investments.
27 – 33	Moderate Moderate investors are long-term investors who want reasonable but relatively stable growth. Some fluctuations are tolerable, but investors want less risk than that attributable to a fully equity based investment.
34 – 39	Moderately Aggressive Moderately aggressive are long-term investors who want good real growth in their capital. A fair amount of risk is acceptable.
40 – 50	Aggressive Aggressive investors are long-term investors who want high capital growth. Sustainable year-to-year fluctuations in value are acceptable in exchange for a potentially high long-term return.

Initials and Surname: _____

Date:

Signature: _____