

RISK FACT SHEET

It is important you understand the real meaning of risk. This can be broadly defined in five categories:-

- Conservative** This range is designed for the very cautious investor, one with a low risk tolerance and/or a short time horizon. It is targeted towards the investor seeking stability and liquidity from their investable assets. The main objective of the individual in the conservative risk range is to preserve capital while providing income. Fluctuations in the values of portfolios within this range are minor.
- Cautious** The cautious risk range is appropriate for the investor who seeks both modest capital appreciation and income from their portfolio. This investor will have either a moderate time horizon or a slightly higher risk tolerance than the conservative investor in the previous risk range. While this range is still designed to preserve the investor's capital, fluctuations in the values of portfolios may occur from year to year.
- Balanced** This range will best suit the investor who seeks relatively stable growth from their investable assets offset by a low level of income. An investor in the balanced risk range will have a higher tolerance for risk and/or a longer time horizon than either of the previous investors. The main objective of an individual within this range is to achieve steady portfolio growth while limiting fluctuations to less than those of the overall stock markets.
- Assertive** The assertive risk range is designed for investors with a relatively high tolerance for risk and a longer time horizon. These investors have little need for current income and seek above-average growth from their investable assets. The main objective of this risk range is capital appreciation, and its investors should be able to tolerate moderate fluctuations in their portfolios.
- Aggressive** This range is appropriate for investors who have both a high tolerance for risk and a long investment time horizon. The main objective of the aggressive risk range is to provide high growth for the investor's assets without providing current income. Portfolios in this range may have substantial fluctuations in value from year to year, making this category unsuitable for those who do not have an extended time horizon.