A ROADMAP to Investing

Explore this overview for making investment decisions to help you reach your retirement destination.

DIRECTIONS FOR YOUR JOURNEY



Consider your investment capacity AND your risk tolerance.

How much is available to invest?
How does this match your
risk tolerance?



Implement your asset allocation decision.

Aging and

Retirement

PRE-PACKAGED APPROACHES: mutual fund or exchange-traded fund handled by a fund manager.

CUSTOMIZED OR SELF-DIRECTED APPROACH:

You create your asset allocation strategy.

COMBINATION: of both pre-packaged and customized.



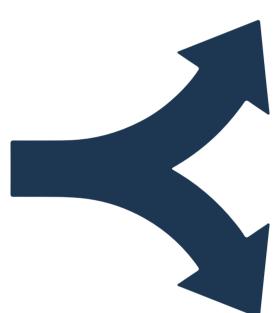
Decide how to allocate your funds.

Asset allocation: portion of funds placed in each asset class

Asset Class	Primary Risks
Cash	Inflation
Bonds	Interest rate fluctuations, Issuer risks
Stocks	Stock market volatility, company risks



Determine your income's character. (e.g., Is it volatile or secure?).



If volatile, you may prefer a lower-risk portfolio.

If secure, a riskier portfolio might be OK.



Visit **soa.org/managing-retire-risk** to download the guide, "Asset Allocation: A Roadmap to Investing," and many other retirement planning resources.

Assess your risk tolerance.

Risk tolerance = comfort with investment return volatility