

BUILDING BLOCKS FOR RETIREMENT

Asset Allocation

What's The Right Asset Allocation for You?

The right asset allocation for you depends not only on your risk tolerance, but also your time frame. Knowing your risk tolerance can help you decide on an investment strategy that's right for you. Deciding the percentage of your account to invest in the various asset classes is known as "asset allocation."

The right allocation for you depends on your ability to ride out fluctuations in the value of your investments—which depends not only on your risk tolerance, but on how much time you have until you need the money.



Young, aggressive investors may put their savings in relatively volatile stock funds because they won't need their savings for decades—they may be willing to assume more risk in exchange for greater returns because they have the benefit of time to ride out market fluctuations. In contrast, more conservative investors approaching retirement might consider holding more money in more traditionally stable investments, such as money market funds. How you allocate your investments will change over time based on changes in your individual situation.

Below are sample asset allocation that take risk tolerance as well as time frames into consideration. These sample allocation mixes provide you with an idea of how different types of investors might allocate their contributions at different stages in their lives. Of course, these allocations are only examples. The proper asset allocation for your situation may differ.



Time Frame	Conservative	Moderate	Aggressive
11 or more Years	Stocks 40-60% Bonds 20-40% Fixed Income 20-40%	Stocks 60-75% Bonds 15-25% Fixed Income 10-25%	Stocks 90-100% Bonds 0-10%
6 to 10 Years	Stocks 30-50% Bonds 25-45% Fixed Income 25-45%	Stocks 40-60% Bonds 20-40% Fixed Income 20-35%	Stocks 75-100% Bonds 0-25%
Less than 5 Years	Stocks 0-30% Bonds 40-70% Fixed Income 25-40%	Stocks 15-50% Bonds 40-75% Fixed Income 10-35%	Stocks 50-75% Bonds 25-50% Fixed Income 0-25%

This material is provided solely for informational purposes and does not constitute investment, tax, legal or accounting advice on the matters addressed. Neither Pentegra Services, Inc., its subsidiaries, nor any of their respective employees intend that this material should be relied on as investment advice, which should be sought from a professional advisor. Performance information shown reflects past performance and does not indicate or guarantee future investment results. Current and future results may be lower or higher than those shown. ©2018 Pentegra Retirement Services



701 Westchester Ave, Suite 320E, White Plains, New York, 10604