



Helping You Make Wise Financial Decisions

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ON AN HOURLY, FEE-ONLY BASIS

Your Investment Portfolio

Taking a Systematic Approach

A portfolio should be built with a purpose and a plan. Many aren't. Was yours?

Your portfolio should reflect a coherent investment philosophy that is based upon your goals, time horizon, risk tolerance, and investing preferences. Here's the systematic process we would use to build and maintain your portfolio.

- ❖ Determine the purpose of your portfolio.
- ❖ Determine your return goals and risk tolerance.
- ❖ Create your overall asset allocation target (stock/bond balance).
- ❖ Recognize your preference regarding portfolio complexity.
- ❖ Set sub-allocation targets within stocks and bonds.
- ❖ Define the appropriate type of investment vehicles.
(Likely best limited to index funds.)
- ❖ Set the maximum and minimum allowed in any one investment.
- ❖ Determine the characteristics that each investment must have.
- ❖ Select the individual investments and their appropriate amounts.
- ❖ Determine which investments belong in which account.
- ❖ Build the portfolio to reflect the above.
- ❖ Monitor the portfolio on a monthly or quarterly basis.
- ❖ Review and analyze the portfolio once or twice a year.
- ❖ Rebalance the portfolio annually or whenever conditions warrant.
- ❖ Review your asset allocation target every few years or when your situation has changed.