

WEEK 3

Risk Tolerance Quiz

Discover your investing personality and find your ideal portfolio balance.

IMPORTANT, PLEASE READ FIRST

This quiz is for educational purposes only and is not personal financial advice. Answer honestly. Pick the option that feels most true for you right now, not the one you wish was true.

Question 1: Time horizon

How long do you plan to invest this money before you need it?

A) Less than 2 years	1 pt
B) 2 to 5 years	2 pts
C) 5 to 10 years	3 pts
D) More than 10 years	4 pts

Question 2: Market drops

If your investments dropped 20% in one month, what would you do?

A) Sell everything immediately	1 pt
B) Sell some to reduce risk	2 pts
C) Hold and wait for recovery	3 pts
D) Buy more at the lower price	4 pts

Question 3: Investment knowledge

How would you describe your investment knowledge?

A) Complete beginner	1 pt
B) I know the basics	2 pts
C) Intermediate understanding	3 pts
D) Very knowledgeable	4 pts

Question 4: Investment priority

What is most important to you?

A) Protecting my money from any loss	1 pt
B) Steady, modest growth	2 pts

C) Good growth with some risk	3 pts
D) Maximum growth, willing to accept big swings	4 pts

Question 5: Income stability

How stable is your income?

A) Very unstable or freelance	1 pt
B) Somewhat stable	2 pts
C) Stable with some uncertainty	3 pts
D) Very stable or secure job	4 pts

Question 6: Emergency fund

Do you have an emergency fund covering 3 to 6 months of expenses?

A) No emergency fund	1 pt
B) Less than 3 months	2 pts
C) 3 to 6 months covered	3 pts
D) More than 6 months	4 pts

Question 7: Sleep test

If your portfolio dropped 30% overnight, how would it affect your sleep?

A) I would not sleep at all	1 pt
B) I would worry but eventually sleep	2 pts
C) I would remind myself it is long term and sleep fine	3 pts
D) I would sleep great knowing I can buy more cheaply	4 pts

Question 8: Portfolio check frequency

How often do you plan to check your investments?

A) Daily or multiple times a day	1 pt
B) Weekly	2 pts
C) Monthly	3 pts
D) Quarterly or less	4 pts

Your results

Add up your points from all 8 questions: **My total score:** _____

Score	Profile	Suggested allocation
8 to 14	Conservative	40 to 60% growth assets, 40 to 60% defensive assets
15 to 24	Moderate	60 to 80% growth assets, 20 to 40% defensive assets
25 to 32	Aggressive	80 to 100% growth assets, 0 to 20% defensive assets

What this means for you

Conservative (8 to 14 points)

You prefer stability over growth. Focus on protecting your money with a higher allocation to defensive assets, which can help cushion market drops. Global stock funds should still be part of your portfolio for long-term growth, but in smaller amounts.

Suggested: 40 to 60% growth assets, 40 to 60% defensive assets.

Moderate (15 to 24 points)

You are comfortable with some risk for better returns. A balanced approach works well for you. You can handle market fluctuations as long as you see progress over time.

Suggested: 60 to 80% growth assets, 20 to 40% defensive assets.

Aggressive (25 to 32 points)

You are focused on maximum growth and can handle significant market swings. With a long time horizon and strong stomach for volatility, you can afford to be mostly in growth assets. Keep a small allocation to defensive assets for diversification.

Suggested: 80 to 100% growth assets, 0 to 20% defensive assets.

REMEMBER: The right risk profile is the one that lets you stay invested. If you score as Aggressive but the thought of a 30% drop genuinely keeps you awake, your real tolerance is probably lower than the score suggests. Be honest with yourself.