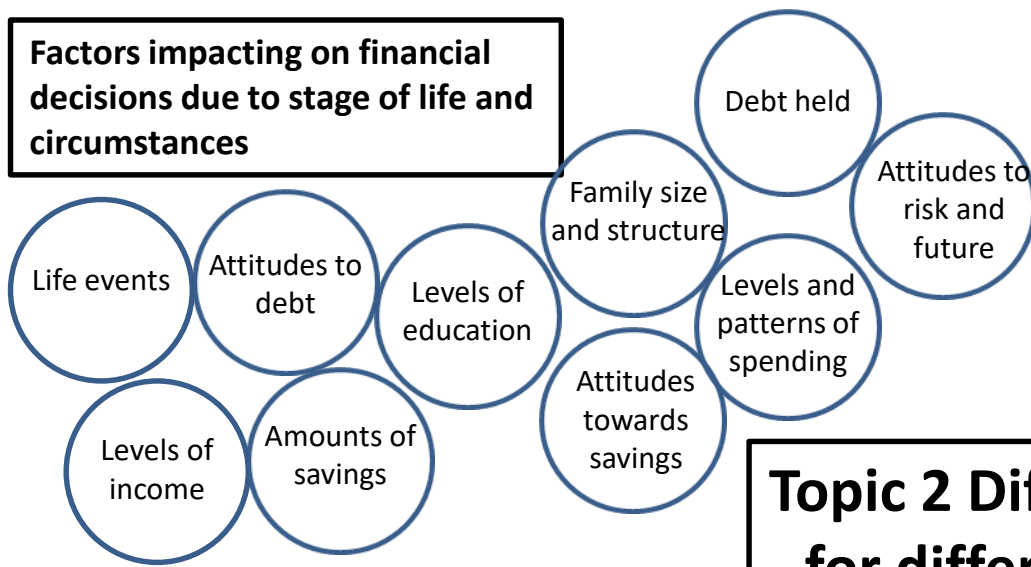


Factors impacting on financial decisions due to stage of life and circumstances



Attitude to risk

Important when talking about savings and investments

Instant access avoid long term investments

Two parts include...

1. Risk tolerance – based on feelings
2. Capacity for loss – afford to lose against objectives

Topic 2 Different plans for different people



Type	Risk	Reward
Deposits	Low	Low
Gilts	Low	Low
Property	Medium	Medium
Shares	Medium	Medium
Overseas shares	Higher	Higher
Specialist investment	Higher	Higher