

Investment Type (Category)	Subcategory (Asset Class)	Description	Average Returns	Risk Level	Comments	Preservation (20% / 80%)	Conservative (35% / 65%)	Balanced (50% / 50%)	Moderate (60% / 40%)	Growth (70% / 30%)	Aggressive (80% / 20%)	Most Aggressive (90% / 10%)
US Stocks (Equities)	Large Growth	Shares of large companies expected to grow at an above-average rate.	8-12%	High	Higher potential for capital appreciation but can be volatile, especially in market downturns.	5.80%	9.50%	13.50%	16.00%	16.50%	17.50%	17.00%
	Large Value	Shares of large companies that are undervalued by the market.	6-9%	Moderate to High	Tend to be less volatile than growth stocks and often provide dividends.	5.80%	9.50%	13.50%	16.00%	16.50%	17.50%	17.00%
	Mid Cap	Shares of medium-sized companies with growth potential.	7-10%	Moderate to High	Offer a balance between growth potential and stability but still carry significant risk.	1.00%	1.80%	2.50%	3.30%	5.00%	6.00%	7.50%
	Small Cap	Shares of small companies with high growth potential but also higher volatility.	9-13%	High	High growth potential but also high volatility and risk.	1.00%	1.80%	2.50%	3.30%	5.00%	6.00%	7.50%
International Equities	International Equities	Stocks of companies based outside the investor's home country.	6-8%	High	Diversifies portfolio across global markets. Can be affected by currency exchange rates and geopolitical events.	5.00%	8.50%	12.50%	14.50%	17.90%	20.90%	23.90%
Emerging Markets	Emerging Markets	Stocks and bonds from developing countries.	8-12%	Very High	High growth potential but also high volatility and political risk. Suitable for long-term investors.	1.00%	2.50%	3.50%	4.50%	6.00%	8.00%	11.00%
US Bonds	Government	Bonds/Loans issued by federal governments (e.g., U.S. Treasuries), typically paying interest.	2-3%	Low	Considered very safe, especially U.S. Treasuries, but with lower returns.	15.00%	12.00%	10.00%	8.00%	6.00%	4.00%	1.50%
	Municipal	Bonds/Loans issued by state or local governments, interest paid often tax-exempt.	2-5%	Low to Moderate	Often offer tax advantages, particularly appealing to investors in higher tax brackets.	1.50%	1.50%	1.00%	1.00%	0.80%	0.50%	0.30%
	Corporate	Bonds/Loans issued by companies, with varying credit quality, typically paying interest.	3-6%	Moderate	Higher yields than government bonds but carry credit risk depending on the issuing company's financial health.	28.90%	27.10%	20.00%	16.10%	13.80%	9.30%	4.30%
	High Yield	Bonds/Loans issued by companies with lower credit ratings, offering higher interest rates.	5-8%	High	Also known as "junk bonds," they offer higher returns but come with higher default risk.	4.00%	4.00%	4.00%	4.00%	3.00%	2.00%	1.00%
International Bonds	International Bonds	Bonds issued by foreign governments or corporations.	2-4%	Moderate	Provides diversification and potential for higher yields compared to domestic bonds. Currency risk can impact returns.	5.50%	5.30%	5.00%	4.80%	4.50%	4.30%	3.00%
Mutual Funds		Pooled funds from many investors to purchase a diversified portfolio of stocks, bonds, or both.	5-8%	Moderate	Diversification helps manage risk, but returns depend on the underlying assets.							
Exchange-Traded Funds (ETFs)		Similar to mutual funds but traded like stocks on an exchange.	5-8%	Moderate	Diversification helps manage risk, but returns depend on the underlying assets.							
Real Estate		Investment in property for rental income or capital appreciation.	8-12% (varies widely)	Moderate to High	Returns can be higher but come with risks like market fluctuations and property management issues.	0.50%	1.50%	2.00%	2.50%	3.00%	4.00%	6.00%
Commodities		Physical goods like gold, oil, and agricultural products.	5-7% (varies widely)	High	Prices can be highly volatile due to factors like supply and demand, geopolitical events, and economic cycles.							
Savings Accounts		Low-risk deposit accounts with banks, typically insured.	0.5-2%	Very Low	Very low risk, but also low returns. Suitable for short-term savings.							
Certificates of Deposit (CDs)		Fixed-term deposit with a bank, paying a fixed interest rate.	1-3%	Very Low	Very low risk, but also low returns. Suitable for short-term savings.							
Cryptocurrencies		Digital or virtual currencies using cryptography for security.	Highly variable (potentially high)	Very High	Extremely volatile and speculative, with potential for both high returns and significant losses.							

Peer-to-Peer Lending		Loans made directly between individuals through online platforms.	5-12%	High	High risk due to potential defaults, but offers higher interest rates compared to traditional savings accounts.							
Treasury Securities		Government debt instruments, including Treasury bills, notes, and bonds.	2-3%	Low	Considered one of the safest investments but offer lower returns.							
Cash	Cash	Money held in physical form or in deposit accounts.	0-1%	Very Low	Offers liquidity and stability but provides minimal returns. Often used for emergency funds or short-term needs.	25.00%	15.00%	10.00%	6.00%	2.00%	0.00%	0.00%
Other	Other	Any other asset class that does not fit the above.	Unknown	High	Because the exact investment asset class is not known, this is considered high risk.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Market Capitalization	Description	Examples
Small Cap	Companies with a market cap typically between \$300 million and \$2 billion. They are often younger, growing companies with higher risk and potential for higher returns.	Etsy, Zillow, Shake Shack
Mid Cap	Companies with a market cap typically between \$2 billion and \$10 billion. They are generally established but still have room for growth and may offer a balance of risk and potential returns.	Domino's Pizza, Grubhub, Dropbox
Large Cap	Companies with a market cap typically above \$10 billion. They are often well-established, stable companies with lower risk but potentially lower growth rates compared to small and mid-cap companies.	Apple, Microsoft, Amazon

Valuation Approach	Description	Characteristics
Value	Focuses on undervalued stocks that are trading below their intrinsic value. Investors look for stocks with low price-to-earnings (P/E) ratios, low price-to-book (P/B) ratios, and high dividend yields.	Typically includes mature companies with stable earnings and dividends. May be less volatile but can offer steady returns.
Blend	Combines elements of both value and growth investing. Investors look for companies with a mix of value and growth characteristics, such as solid earnings growth potential but also trading at reasonable prices.	Seeks a balance between value and growth, aiming for companies with strong fundamentals and growth potential.
Growth	Focuses on companies with high growth potential, often trading at higher valuations relative to their earnings or book value. Investors look for companies with strong revenue and earnings growth rates.	Includes companies in fast-growing industries or with innovative products/services. Can be more volatile but may offer higher returns over time.

Investment Type	Pros	Cons
Taxable	<ul style="list-style-type: none"> - No contribution limits. - Flexibility to withdraw funds at any time without penalties. - Access to a wide range of investment options. - Ability to offset gains with losses (tax-loss harvesting). 	<ul style="list-style-type: none"> - Investment gains are taxed annually. - Capital gains taxes apply on the sale of investments. - Dividends and interest are taxable as income in the year received. - No tax deferral or tax-free growth benefits.
Tax-Deferred	<ul style="list-style-type: none"> - Contributions may be tax-deductible (e.g., traditional IRA, 401(k)). - Investment gains grow tax-deferred until withdrawal. - Potential to be in a lower tax bracket during retirement, reducing overall tax liability. - Can contribute larger amounts compared to tax-free accounts (e.g., 401(k) plans). 	<ul style="list-style-type: none"> - Withdrawals are taxed as ordinary income. - Early withdrawals before age 59½ may incur a 10% penalty plus taxes. - Required Minimum Distributions (RMDs) must begin at age 73. - Contribution limits and income restrictions apply (e.g., IRA, 401(k)).

Tax-Free	<ul style="list-style-type: none"> - Withdrawals are tax-free if certain conditions are met (e.g., Roth IRA, Roth 401(k), Municipal Bonds). - Investment gains grow tax-free. - No Required Minimum Distributions (RMDs) for Roth IRAs (Roth 401(k) requires RMDs but can be rolled into a Roth IRA). - Potential to reduce overall tax burden in retirement. 	<ul style="list-style-type: none"> - Contributions are made with after-tax dollars, providing no immediate tax benefit. - Early withdrawals of earnings before age 59½ and before the account - Contribution limits and income restrictions apply (e.g., Roth IRA, Roth 401(k)). - Limited investment options for some tax-free vehicles (e.g., municipal
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Investment Sector	Description	Recommended Allocation
Basic Materials	Companies involved in the discovery, development, and processing of raw materials.	5%
Consumer Cyclical	Companies whose performance is closely tied to the economic cycle (e.g., retail, automotive).	10%
Financial Services	Companies providing financial services, including banks, investment funds, and insurance.	15%
Real Estate	Companies involved in real estate development, management, and investment trusts (REITs).	10%
Communication Services	Companies that provide communication services, including media, entertainment, and telecom.	5%
Energy	Companies involved in the production and distribution of energy (e.g., oil, gas, renewable energy).	5%
Industrials	Companies that produce goods used in construction and manufacturing.	10%
Technology	Companies focused on technological innovation and development, including hardware and software.	20%
Consumer Defensive	Companies providing essential goods and services (e.g., food, beverages, household products).	10%
Health Care	Companies providing medical services, manufacturing medical equipment, and pharmaceuticals.	10%
Utilities	Companies that provide essential services such as water, electricity, and natural gas.	5%

Note that the specific allocation can vary based on individual risk tolerance, investment goals, and market conditions. The following is a general guideline for a diversified portfolio:

These allocations aim to balance risk and growth potential by diversifying investments across various sectors. Adjustments may be necessary based on market conditions, investment horizon, and individual financial goals.

Instrument / Account Type	Description	Advantages	Disadvantages
SMA (Separately Managed Account)	Professionally managed investment account tailored to the investor's needs.	Customizable, transparent, potential for tax efficiency.	Higher fees, higher minimum investment.
MDA (Managed Discretionary Account)	Account where the manager has discretion to buy and sell securities without client consent.	Professional management, quick decision-making.	Less client control, potentially high fees.
IMA (Individually Managed Account)	Personalized portfolio management for individual investors.	Custom strategies, individual security selection.	Higher costs, requires higher investment minimums.
UMA (Unified Managed Account)	Investment account that combines multiple investment products into a single account.	Comprehensive portfolio management, potential tax	Complexity, higher management fees.

ETF (Exchange-Traded Fund)	A type of security that tracks an index, sector, commodity, or other assets, but can be bought and sold on an exchange like a stock.	Low costs, liquidity, diversification.	Trading fees, can be complex.
Index Fund	A mutual fund or ETF designed to follow certain preset rules so that the fund can track a specified basket of	Low costs, passive management, diversification.	Lack of flexibility, limited growth potential.
Stock	A share of ownership in a company.	Potential for high returns, dividends.	High risk, volatility.
Bond	A fixed income instrument representing a loan made by an investor to a borrower.	Regular interest income, lower risk than stocks.	Lower returns, interest rate risk.
CD (Certificate of Deposit)	A savings certificate with a fixed maturity date and specified fixed interest rate. Can be Callable or Non-Callable.	Low risk, fixed returns, FDIC insured.	Lower returns, penalty for early withdrawal.
Options	Financial derivatives that give buyers the right, but not the obligation, to buy or sell an asset at a set price.	Leverage, flexibility.	High risk, potential for total loss.
Derivatives	Financial securities whose value is dependent upon or	Hedging, leverage, flexibility.	High risk, complexity.
Retirement Account (401(k), IRA, etc.)	Accounts designed for retirement savings with tax advantages.	Tax benefits, employer matching (401(k)), long-term growth potential.	Early withdrawal penalties, contribution limits.
Commodities	Basic goods used in commerce that are interchangeable with other goods of the same type.	Diversification, hedge against inflation.	High volatility, no income generation.
Hybrid Funds	Investment funds that invest in both stocks and bonds.	Diversification, balanced risk/return.	Moderate returns, management fees.
Mutual Fund	Investment vehicle that pools money from many investors to purchase securities.	Diversification, professional management.	Fees, potentially lower returns than ETFs.
Hedge Fund	An alternative investment vehicle that pools capital from accredited individuals or institutional investors and employs a range of strategies to earn active returns for their investors. Hedge funds can invest in a wide array of assets and may employ various strategies such as leverage, long-short equity, arbitrage, and derivatives. They are typically less regulated than mutual funds and other investment vehicles.	1. High Potential Returns: Hedge funds aim to generate high returns through active management and diverse strategies. 2. Flexibility: They can invest in a wide range of assets and use complex strategies, including short selling and derivatives. 3. Risk Management: Many hedge funds employ sophisticated risk management techniques to protect against market downturns. 4. Diversification: They often provide exposure to unique investment opportunities not typically available in traditional investment portfolios.	1. High Fees: Hedge funds usually charge both a management fee (around 2%) and a performance fee (around 20% of profits), which can significantly reduce net returns. 2. High Risk: The strategies used can be highly speculative and involve significant risk, including the potential for substantial losses. 3. Illiquidity: Investments in hedge funds are often less liquid, with restrictions on when investors can redeem their shares. 4. Limited Access: Typically only available to accredited investors or institutions, excluding most individual investors. 5. Lack of Transparency: Less regulatory oversight and transparency compared to mutual funds, making it harder for investors to fully understand the fund's strategies and holdings.