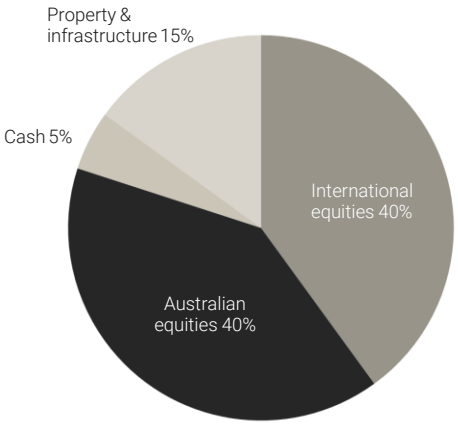
Fact sheet

PERSONAL FINANCIAL SERVICES
SINCE 2001

What is the risk/return profile of a high growth portfolio?

Asset allocation of a high growth portfolio

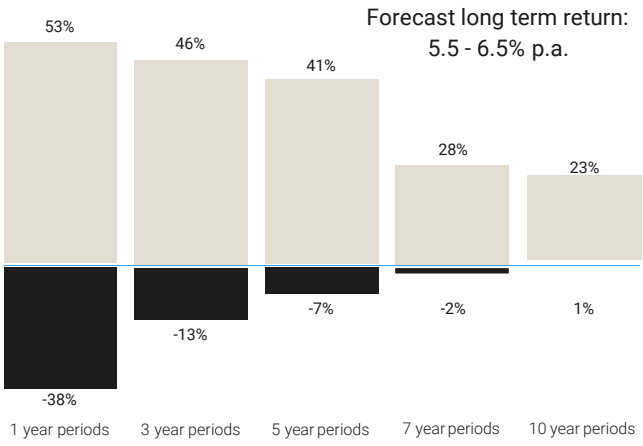
A high growth portfolio targets an asset allocation of 5% in defensive assets, and 95% in growth assets.



This portfolio is recommended for investors who understand and are comfortable with investment risk, and/or require high returns to meet their long term objectives.

Historical range of returns (per annum)

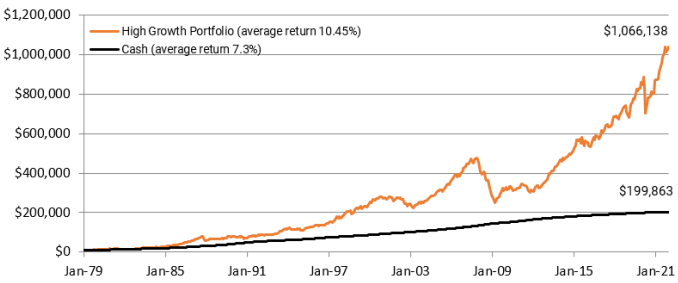
Income re-invested



Key questions about risk	
Historically, how often has a portfolio with a high growth asset allocation incurred a loss?	Once in every 5.2 years
What has been the largest loss incurred over a 12 month period?	38%*
How long did it take for the portfolio to recover from this loss?	46 months*
Historically, what has been the likelihood this portfolio could experience two consecutive 12 month periods of negative returns?	3.88% likelihood

Return on $10,000 investment on 1 Jan 1979 to 31 December 2021 (income re-invested)

Annual returns



Pros

- High long term return
- Provides high protection against inflation and a more tax effective means to invest over the long term

Cons

- High likelihood of a negative return over a 12 month period
- High variance in returns from year to year

*Note: Past performance is not indicative of future performance

Important information

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