

## Investment risk

The table below summarises the approximate differences in long term return of the different asset classes.

<b>Asset Class:</b>	<b>Long Term Annual Return:</b>
Deposit	Inflation plus 1-2%
Fixed Interest	Inflation plus 2-3%
Property (mostly commercial)	Inflation plus 3-5%
Equities	Inflation plus 5-8%

People vary in their willingness to accept investment risk. Some people are simply risk averse. If you ask us to look at your pension we will ask you to complete a short psychometric questionnaire. This will help you to think about the level of investment risk you want to take with your pension funds. It will also guide us in assessing your current pension investments and advising you for the future.

The amount of risk you want your pension fund exposed to should be reflected in the proportion of your savings in the different asset classes.