

Stress Test – 1973 through 1975

Instructions

The stress test worksheet will help you better understand the potential volatility of your selected asset allocation. While there are no guarantees that we will not have a worse bear market for equity asset classes like stocks and real estate, this worksheet will give you a good feel for how your selected asset allocation has performed in past severe bear markets.

Instructions

- Add up the total percentage of your asset allocation that is in stocks (US, international and emerging markets)
- Add up the total percentage of your asset allocation that is in real estate (US and international)
- Verify that your remaining assets are in bonds
- Input your total stock percentage and total real estate percentage in the cells under the Asset Allocation section of the worksheet
- The percentage of your assets in bonds will be calculated for you
- Input your current portfolio value in the cell to the right of Starting Account Value

Review the return and portfolio value at the end of each year. Think about how you would react to the portfolio performance shown. If you feel you need to adjust the bond portion of the portfolio by more than 10% up or down in order to be comfortable with the portfolio, you should consider consulting with an investment manager to help ensure you select a portfolio that is appropriate for you and to help you maintain the portfolio through the ups and downs of the equity markets.