

## **RISK PROFILE**

- (1) If the performance of an investment you have recently made is below your expectations, how would you feel?
  - a Very upset
  - b Somewhat upset, but hope that it will improve in the future
  - c Uneasy but willing to take it in my stride
  - d Not upset because I know that all investments carry risk
  
- (2) What do you normally associate the word 'Risk' with?
  - a Danger
  - b Uncertainty
  - c Opportunity
  - d Thrill
  
- (3) If you had to choose between being a salaried employee and running your own business, which one would you prefer?
  - a Being a salaried employee
  - b Doing a salaried job and maybe run a part-time business
  - c Running a partnership business
  - d Running my own business
  
- (4) When you invest your money, what thought comes to your mind first?
  - a I should not lose my money
  - b This should not turn out to be a bad investment
  - c This should turn out to be a good investment
  - d I know this is a good decision
  
- (5) After you have made an investment, how do you usually feel?
  - a Very worried
  - b Somewhat worried
  - c Somewhat satisfied
  - d Very satisfied
  
- (6) If you had the choice between a fixed salary and a partly variable one, depending on your performance and the profits of your company, which one would you prefer?
  - a I would prefer a fixed salary, even if it is small
  - b I would prefer most of my salary to be fixed, with only a small variable part
  - c I would prefer half my salary to be fixed and the other half to be variable
  - d I would prefer most of my earnings to be performance-linked

- (7) If you had to make an investment decision without consulting or discussing it with anybody, how would you feel?
- a Very unsure
  - b Not very confident
  - c Some what confident
  - d Very confident
- (8) Consider this scenario. You had invested in a company, but its performance was so bad post your investment, that you sold off your investments at a loss. Then you hear that the same company has begun to do well. Would you invest in the company again?
- a Definitely not
  - b May be, but am not very sure
  - c Perhaps I will
  - d Definitely yes
- (9) Experts tell you that investments are subject to risk and you have to be prepared for losses as well as gains. What is the level of loss in your investment that you are willing to accept?
- a I would hate to see any kind of loss in my investments
  - b I will be willing to take up to a 20% loss
  - c I can perhaps bear a loss of up to 40%
  - d I am willing to take any kind of loss
- (10) If you looked at the portfolio of the investments that you have already made, how would you characterise them?
- a Only assured return investments
  - b Limited investment in risky products
  - c Divided between risky and safe products
  - d Mostly risky investments
- (11) If your investment advisor told you that you could enjoy better returns if you were willing to take the risk, to what extent would you be willing to expose your investments to risk, to earn a higher return?
- a None at all
  - b About 20%
  - c About 40%
  - d More than 50%
- (12) Interest rates can go up or down. If you had to take a loan and had the choice between a fixed rate and a variable one, which one would you prefer?
- a I will always choose a fixed rate
  - b I will choose a combination of 70% fixed and 30% variable
  - c I will choose a combination of 30% fixed and 70% variable
  - d I will choose 100% variable