

# Portfolio Allocation, Diversity and Analysis

Presented by: Peter Stahl, Manager  
Financial Fitness SHC

# What is Portfolio Allocation

- Asset *allocation* is a time-tested strategy that can help you reduce risk by spreading your money among many different kinds of investments, such as stocks, bonds, and short-term investments.

# What is Portfolio Diversification?

- Diversified portfolios tend to provide less volatile returns over the long term and can help minimize downside risk. In addition to balancing your overall portfolio, it is important to diversify within each investment asset class.

# What Analysis is Needed

- Review your total return compared to the overall stock and bond market returns
- Review your total asset class return and compare to benchmark
- Review your individual stock, bond or mutual fund return and compare to other stocks, bonds and mutual funds in same class.
- Determine if you can get a better return and make switch if risk is appropriate