



Risk Analyser

What does the Risk Analyser do?

The aim of this Risk Analyser is to help the financial advisor and client to determine which risk profile the client may be categorised under. Whilst every attempt has been made to ensure the accuracy of the information contained herein, Oracle Broker Services (Pty) Ltd cannot be held responsible for any errors that may occur or for any damages suffered as a result of such errors.

Please answer the following questions, by ticking the box with your response

1. My current age is:

a. Under 31	<input type="checkbox"/>	b. 31 to 40	<input type="checkbox"/>
c. 41 to 50	<input type="checkbox"/>	d. 51 to 60	<input type="checkbox"/>

2. The current value of my savings/ capital (including equity in property shares, Retirement Annuities, Provident Funds etc) is equal to:

a. Less than half of my current (or last earned) annual income.		b. Half of my annual income (salary, pension, interest) etc.	
c. The amount of my gross income in one year.		d. Double my current (or last earned) annual income.	
e. Three times my current (or last earned) annual income.		f. Five times my current (or last earned) annual income.	

3. Within the next few years, I expect my income to:

a. Decline in real terms		b. Stay about the same (gains equal to inflation)	
c. Increase gradually (slightly faster than inflation)		d. Increase dramatically (much faster than inflation)	
e. Fluctuate and be unpredictable (select this option if you only have investment income)			

4. Based on my lifestyle and medical history, I expect my risk of serious health problems over the next 10 years to be:

a. Above average		b. Average	
c. Low		d. Almost nil	

5. Regarding dependants (minor or adult) and other major costs that I need to incur before retirement:

a. I will be able to meet all expenses for dependants (including education) and other costs out of my income	
b. I will have to withdraw a small portion of my savings to pay for dependants and other costs	
c. I will have to withdraw more than half of my savings to pay for dependants and other costs	
d. I expect that paying for dependants and other costs will leave me with very little savings when I retire	
e. I don't have dependants or major costs to worry about	

6. My investment experience is best described as follows:

a. I have never invested in equities, either directly or through unit trusts, and do not understand these things	
b. I have invested a small amount of money in equities or unit trusts and/ or I know what these things are	

c. I have invested a fair amount of money in equities or unit trusts and/ or have a good understanding of equities	
d. I have invested in commodities, options, and international shares and/ or am very knowledgeable about investment	
e. I have a company retirement plan and/ or other investments, but I'm not sure exactly where I'm invested and/ or I don't fully understand different asset classes	

7. I plan to start withdrawing money from my savings in:

a. Less than five years		b. Five to ten years	
c. Eleven to fifteen years		d. More than fifteen years	
e. I am already using my savings			

8. How do you/ would you react to fluctuations in the market?

a. I am (or would be) very concerned if my investments lose value and am (or would be) inclined to sell immediately	
b. If any investment loses 5% over a quarter, I am (or would be) likely to sell and invest elsewhere	
c. I wait (or would wait) until I have watched the performance of an investment for at least a year before making changes	
d. Even if poor market conditions result in significant losses over several years, I will try and stick to a consistent long-term investment plan	

9. You invest R100 000 for ten years. Given the best and worst case scenarios below, which investment option would you choose? (NB: Note that the best and worst case scenarios are equally probable)

a. Best case outcome R500 000 Worst case outcome R50 000		b. Best case outcome R850 000 Worst case outcome R20 000	
c. Best case outcome R300 000 Worst case outcome R65 000		d. Best case outcome R150 000 Worst case outcome R100 000	

10. When I buy car insurance I:

a. Choose the lowest excess to ensure maximum cover even though my contract costs more	
b. Choose a moderate level of excess in order to reduce the contribution	
c. Choose a high excess in order to pay a low premium even though losses may not be covered	
d. Choose to carry no insurance	

Please give yourself the following scores depending on the answers you gave, and then add up your scores

Question	A	B	C	D	E	F	Your Score
1	15	12	9	1	0	-	
2	0	1	4	8	10	12	
3	0	1	4	10	0	-	
4	0	2	5	10	-	-	
5	9	6	3	0	9	-	
6	0	1	5	8	0	-	
7	1	2	8	13	0	-	
8	0	1	4	8	-	-	
9	6	10	2	0	-	-	Total Score
10	0	1	3	5	-	-	



Investment Portfolio Guide

Depending on your score obtained above, your propensity of risk falls into one of the following categories:

Score	Risk Profile
0-25	Conservative Conservative investors are investors who want stability and more concerned with protecting their current investments than increasing the real value of their investments.
26-45	Moderately Conservative Moderately conservative investors are investors who want to protect their capital, and achieve some real increase in the value of their investments.
46-65	Moderate Moderate investors are long-term investors who want reasonable but relatively stable growth. Some fluctuations are tolerable, but investors want less risk than that attributable to a fully equity based investment.
66-85	Moderately Aggressive Moderately aggressive investors are long-term investors who want good real growth in their capital. A fair amount of risk is acceptable.

86-100	<p>Aggressive Aggressive investors are long-term investors who want high capital growth. Substantial year-to-year fluctuations in value are acceptable in exchange for a potentially high long-term return</p>
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Your derived profile according to the Risk Analyser is					
Do you Agree		or Disagree		If Disagree, state your chosen risk profile	
Client Name:				Advisor Name:	
Client Signature:				Advisor Signature:	
Date:				Date:	

