# Twitter Thread by <u>Tar</u> ■





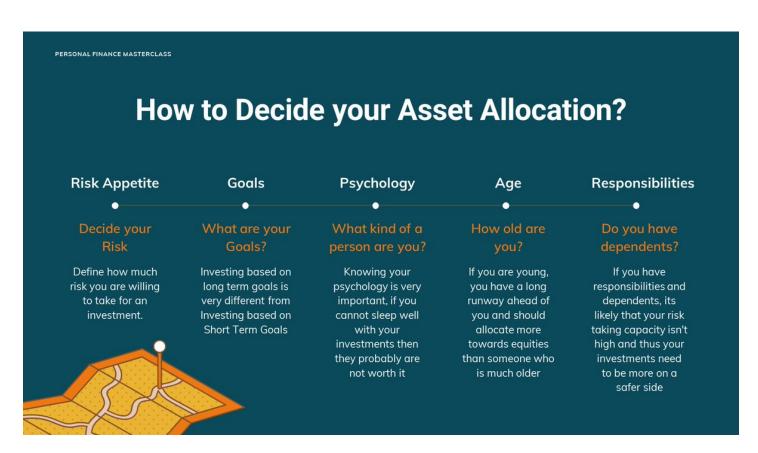


Asset Allocation doesn't have one clear answer and shouldn't depend on stage of the market.

### It depends on your

- Risk Appetite
- Goals
- Psychology
- Age
- Responsibilities

## 1/n https://t.co/aJjy4N90J9



Greatest challenge in the bull market is sound asset allocation which I have been facing alot. Want to buy super fundamentals cos. but can't buy em call. Latter is cos. % allocation in your portfolio.

Can you'll shed light@connectgurmeet @Investor\_Mohit @itsTarH @AnyBodyCanFly

- Amrit (@HeyAmrit) July 23, 2021

Someone who is

Young
Right out of College
Doesn't Need Money for Next 10 years
Doesn't Have any Dependents

should be allocated more towards Equities than someone who is

Old

Heading for Retirement Needs Consistent Income Has Many Dependents

2/n

Your psychology also has the biggest impact. Are you someone who gets afraid and loses sleep over 5 to 10% drawdowns and wants to book profits as soon as an investment gains in value

or Are you someone who can sit peacefully and do not let the daily movement of market impact you

Also allocate based on Goals.

(Extract taken from my Personal Finance Course, Releasing on SkillShare on Sunday, link to sign up for a Free access below)

https://t.co/IdBvCqO2DH

# **Allocation Based on Goals**

01

#### **Short Term Goals**

Allocate to financial instruments with least possible risk and lower returns with higher liquidity

02

### Medium Term Goals

Allocate to financial intruments that have low to medium risk, medium returns and liquidity

03

### **Long Term Goals**

Allocate the money that you do not need for more than 10 years, use compounding to your advantage and start small