

## INVESTMENT BANK RISK PROFILE QUESTIONNAIRE

The NCBA Investment Bank Personal Risk Profiler addresses the key pillars to structuring an ideal asset allocation policy for a sound investment portfolio.

**Time Horizon:** How long before withdrawals begin determines how your investment plan is affected by periodic fluctuations and when portfolio realignments are necessary.

**Your risk Tolerance:** Stress can ruin a great investment plan. How you handle fluctuations in your investments value determines how you select your portfolio to avoid unnecessary emotional strife.

Select the score for each answer and note down the total in each section

### Section 1: Time Horizon

**1) After what duration do you plan to begin withdrawing your funds or expect returns from your investment.**

- |                                     |    |
|-------------------------------------|----|
| a) Below 6 Months (Speculative)     | 1  |
| b) 6 months to 3 years (Short term) | 3  |
| c) 3 to 5 years (Medium term)       | 7  |
| d) 5 years or more (Long Term)      | 10 |

**2) After the investment maturity period above do you plan to?**

- |   |   |
|---|---|
| a) Withdraw all funds for alternative investment      | 0 |
| b) Withdraw returns gradually over 2 years            | 1 |
| c) Let investments grow for up to 5 Years             | 4 |
| d) Hold your investments and seek long term dividends | 8 |

**Time Horizon score**

*NB: If your Time Horizon Score is below 3 points, you are a speculative investor and need to seek low risk investment opportunities. We advise 40% short-term (average 2 Years) Government Bonds investment and 60% in cash and Treasury bills investments.*

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### Section 2: Risk Tolerance

**3) In your opinion, how well do you understand investment in money and capital markets?**

- |   |   |
|---|---|
| a) I do not understand  | 0 |
| b) I have limited understanding but have not invested before                                | 1 |
| c) I have invested in IPO's and understand terms like 'capital gains' and 'rights issues'   | 4 |
| d) I have extensive knowledge of financial markets and financial instruments for investment | 8 |

**4) What do you worry about when planning to invest?**

- |  |   |
|--|---|
| a) Loss of value                                     | 0 |
| b) I measure the potential gains and possible losses | 4 |
| c) I am driven by how much I can gain.               | 8 |

**5) Select the investments you currently own or have owned in the past with the highest number of points.**

- |  |   |
|--|---|
| a) Treasury Bills or Cash investments                          | 0 |
| b) Government Bonds, Corporate Bonds and/or Fixed Income funds | 3 |
| c) Stocks and/or Equity funds                                  | 6 |
| d) Offshore securities and/or Regional equities markets        | 8 |

**6) Consider this scenario: Imagine that in the past three months, the overall stock market lost 25% of its value. An individual stock investment you own also lost 25% of its value. What would you do?**

- |  |   |
|--|---|
| a) Be very upset, withdraw investments and probably not invest again.                      | 0 |
| b) I would consider holding my investment for some time before making any decisions.       | 4 |
| c) Consider alternative strategies like buying more shares or other promising investments. | 8 |

**7) The chart below outlines the most likely best-case and worst-case annual returns of five hypothetical portfolios.**

Which range of possible outcomes is most acceptable to you?



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<i>Plan</i>	<i>Avg Return pa</i>	<i>High</i>	<i>Low</i>	<i>Score</i>
A	4.00%	15.00%	-5.00%	0
B	7.00%	22.00%	-13.00%	3
C	9.80%	32.00%	-17.00%	6
D	12.00%	40.00%	-20.00%	8
E	15.00%	50.00%	-25.00%	10

**Risk Tolerance Score**

Submit your completed profile to [brokeragebd@ncbagroup.com](mailto:brokeragebd@ncbagroup.com) with your name and mobile number. An investment advisor shall contact you and guide you on your risk profile results.

For more Investment Bank Services please visit <https://investment-bank.ncbagroup.com/>