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What to Know About Risk Tolerance

Conventional wisdom suggests that younger investors can afford to take more risks — after all, time is on their side. But the ability to take financial risks isn't just about age. In fact, there are circumstances where a healthy amount of risk may still be appropriate — or even beneficial — later in life. Let's take a deeper look at how your risk tolerance might develop and mature over time:

Age Isn't the Only Factor

Your health, retirement timeline, job stability and current savings all influence how much risk you can take. If you're entering retirement with a strong financial footing and anticipate a long retirement horizon, a modest level of risk could help your money last longer and grow further.

Life Events Can Shift Your Outlook

Major milestones like marriage, divorce, having children or becoming a grandparent can reshape how you think about money. For some, legacy planning may inspire a more cautious approach. For others, it may encourage risk in the hopes of growing generational wealth.

Past Experience Shapes Future Choices

It's natural for risk tolerance to decline with age, especially after living through volatile markets. But experience can also increase your confidence. You may feel better equipped to take calculated risks now than you did in your younger years.

Confidence Matters

The older you get, the more experience you have making financial decisions. That wisdom can help you assess what level of risk truly aligns with your goals. It's not about chasing big returns; it's about finding the right balance between risk and security.

A qualified financial advisor can help you assess your willingness to take risks and build a plan that fits your tolerance and retirement goals.

Helping clients get back to the basics of building and maintaining wealth in a tax efficient way.



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