

HERE'S A WAY OUT – STRATEGIC TIMEOUT

Cricketers take strategic timeouts – breaks amid the game to decide their future course of action.

To win the investment game, you too must take time out to analyse your investments' performance.

WHAT:

Review your investment portfolio

WHEN:

Quarterly, half-yearly, or annually depending on your situation

WHY:

YOUR GOALS MAY CHANGE

- As the game progresses, the target of the players might change. Likewise, your goals are also likely to change as you age.



YOUR RISK APPETITE MAY CHANGE

- You can play risky shots during power play due to field restrictions. You change your tactic once those restrictions are lifted.
- Similarly, as you grow old, your responsibilities change. That changes your risk appetite.



THERE MAY BE CHANGES IN THE GOVERNMENT POLICIES

- You always play by the rules. You have to adjust your game accordingly.
- Similarly, when the government imposes new Tax rules or policy changes, you may want to adjust your portfolio.



THE MARKET NEVER REMAINS STABLE

- Different wickets have different bounce. You have to adjust your technique accordingly.
- Markets keep fluctuating, thereby affecting your investments. The way you adapt to those fluctuations is the key factor.

