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money matters made simple

How should you monitor your portfolio?

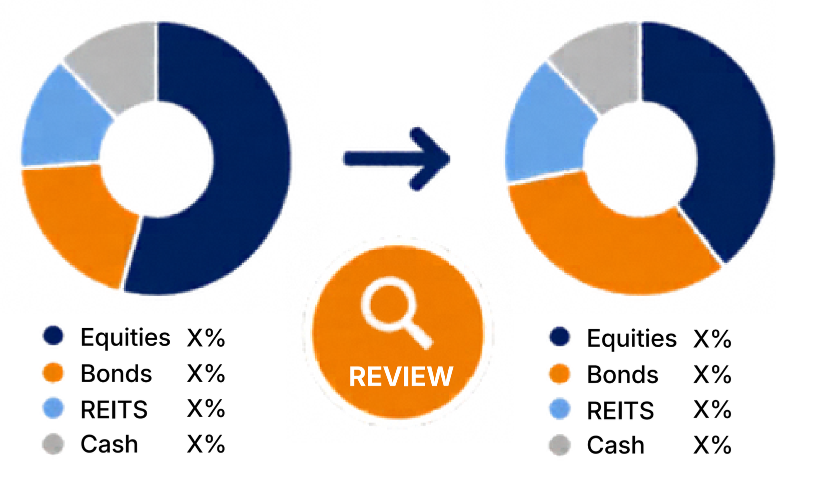
Track indicators → How you should respond → Review regularly

A practical guide on how to review, rebalance your investments

Market conditions affect portfolio: Adjust allocation to stay aligned to your goals, risk profile

What can change:

- Market conditions can shift over time, affecting prices of your holdings and coupons, which may impact your overall return
- Interest rates change



Does your current portfolio allocation still match your goals?

Review your portfolio regularly. Adjust your allocations to keep your portfolio aligned to your goals, risk appetite, and personal circumstances.

How to tell if markets, sectors are up or down; and how you should respond

Straits Times Index (STI)

Tracks 30 large Singapore stocks, ~⅔ of market

Sector indices

Track individual sectors, such as:

Property | Banks | Oil & Gas

Can be used to gauge a fund's performance

If the economy is contracting

You might consider increasing **defensive investments**

Examples
- Bonds
- Essential-services stocks

If the economy is expanding

Based on your goals, risk appetite and time horizon, **cyclical investments** may offer stronger returns

Examples
- Retail stocks
- Travel & leisure stocks

Indices can be used to gauge a fund's performance relative to the market.

Economic indicators could affect stock prices, influencing your investment

Leading indicators

Moves before the economy changes, can be used for forecasting

Stock market | Confidence

Coincident indicators

Tracks ongoing developments

Payroll

Lagging indicators

Moves after the economy changes; measures the past

Unemployment | Exports | Gross Domestic Product (GDP)

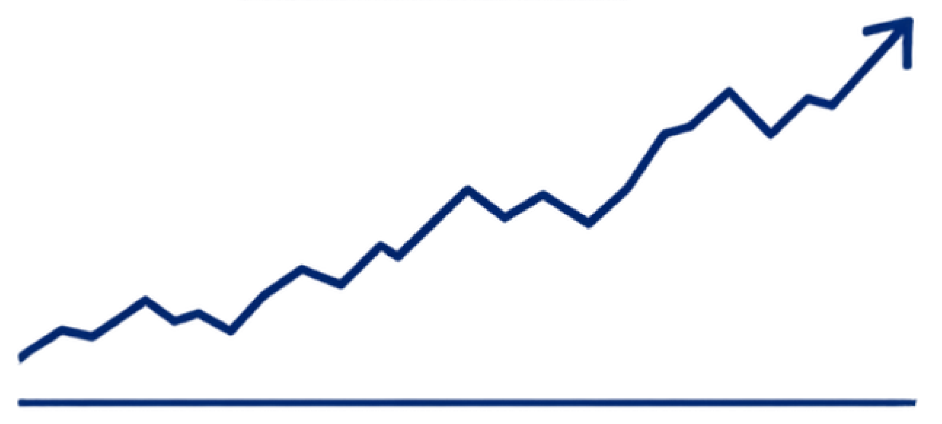
Use indicators as inputs — not instructions. Review your portfolio with your long-term plan in mind.

Pick the right data for your investment horizon

One month

May 2019: Straits Times Index fell **9.1%**

Longer view



Early 2000 to May 2019: index rose **nearly 60%**

- For short-term trading, you may use data from one or two quarters
- For long-term investing, you may look beyond 10 years
- Match the timeframe to your investment horizon

Decide investments based on your needs, with the help of data

- Check market indicators for broad and sector performance
- Check economic indicators for past, current, and future signals
- Compare companies with relevant industry averages
- Decide based on goals, risk appetite, and investment horizon

Key considerations for investments

Goals	Risk appetite	Horizon
Focus on what you want to achieve	Risk appetite means how much uncertainty you can accept	Investment horizon means how long you plan to stay invested

Your portfolio should fit your life, not just the market

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