

For customers

# Why review your investments

We're all used to shopping around for the best deals these days. But while we regularly review our utilities, car insurance or mobile phone tariff, we tend to let our investments look after themselves – and run the risk of losing money in the process.

Even though investments are intended to be for the medium to long term, that doesn't mean you can just stick them in a drawer and forget about them. You should review them as regularly as you do anything else to make sure you're getting the best deal. This guide will help you do that.

## Questions to ask yourself

- What sort of investment do I have?
- Does the investment still meet my needs?
- How long have I had the investment and is there a set period of time I have to keep it for?
- What can I expect my investment to be worth if I keep it until it matures or I reach the date I planned to take my benefits?
- What benefits does my investment have?
- What could I get if I cashed in my investment today?
- Is there any way I can cash in my investment without being charged?
- If I do cash in the investment, what should I do with the proceeds?
- I've received a letter from my provider saying I can change the funds I'm invested in – should I?
- Should I move my investment(s) to another provider?

## Changes

Nothing stays the same – it's one of the few certainties in life. Below we've listed just a few examples of things that could have changed since you took out your investment. Any of these could mean your investment isn't as suitable for you now as it was when you took it out.

### Your personal circumstances

When you took out your investment, you and your financial adviser chose it based on your circumstances and financial objectives at that time. Since then though, these may have changed, and this could have an effect on your investment.

Some changes to consider are:

- Are you now retired?
- Can you now leave your money longer before you need access to it?
- Do you have more money to invest?
- Has your marital status changed?
- Do you now have dependants you want to leave the investment to?

This isn't an exhaustive list – just some food for thought.

### Charging structure

All products, including financial ones, change price over time. If the charges on your investment have changed since you took it out, especially if they've gone up, this may have an effect on the growth you're anticipating.

### Risk profile

Before you took out your investment, you and your financial adviser would have worked out your attitude to risk, known as your risk profile. However, this won't necessarily be the same now as it was then. You might have become more – or less – willing to take risks with your investment. A change in your risk profile could mean your existing investment is no longer suitable for you.

### Asset allocation

Asset allocations of investments change over the years. Take with-profits for example. According to Cazalet Consulting's 2006 Life report, the average equity (share) exposure of a with-profits bond was sitting at 66% in early 2000. In 2006, this average was 39%. If you'd taken out this sort of investment in 2000 because of how much it invested in shares, it may not still be suitable for you in 2006. This is just one example but asset allocations of funds and investments do change, so they're worth keeping an eye on to make sure they don't move too far from what you originally wanted.

### Company structure

Companies merge and change all the time. If your provider has changed or merged with someone else since taking out your investment it might be worthwhile reviewing it.

Your new provider may not have the expertise in the same area as your original provider or it may be that your new provider is no longer in the market for your investment type and is only administering your investment. These shouldn't necessarily be reasons to move your investment but if your company has changed or merged you should consider reviewing your investment.

### Fund performance

Although past performance is no guarantee or guide to future performance, you should regularly check the fund(s) you've invested in are performing in line with your investment objectives.

In periods of volatility, although you shouldn't necessarily make knee-jerk reactions by cashing in your investment or switching funds, you should always be mindful of how your investment is performing.

### Product enhancements

Investment products are always evolving. It might be that since you took out your investment there are new products more suitable to your investment objectives available.

In recent years, products offering guarantees have become more popular. This feature may not have been available when you originally took out your investment.

[To find out if your investment is still suitable for you, contact your financial adviser today for a review.](#)