

PLANNING IN PRACTICE:

When Should Investors Revisit Their Portfolio Strategy?

CASE STUDY: Reassessing Financial Goals After a Major Life Change

THE CLIENT

Terry, 67, is a recently retired physician who spent decades building a substantial investment portfolio. He designed his financial strategy around shared retirement goals, long-term growth, and the future he envisioned with his spouse.

Following his divorce, Terry realized that while his financial circumstances had changed significantly, his investment strategy had remained largely the same.

THE CHALLENGE

With his divorce finalized, Terry wanted to reassess his financial goals and determine whether his existing portfolio still supported his priorities.

His investment strategy had been developed around a different set of circumstances, including shared assets, retirement expectations, and financial obligations. Now, Terry needed to consider how his new lifestyle, income needs, and retirement timeline might influence his investment decisions.

He recognized that maintaining his existing portfolio without evaluating its purpose could leave him exposed to risks that no longer aligned with his goals.

THE STRATEGY

His advisory team conducted a comprehensive review of his investment portfolio within the context of his new financial circumstances.

They explored:

- Whether his existing asset allocation remained appropriate for his revised goals, risk tolerance, and retirement timeline.
- How changes to his assets, income, and financial obligations might affect his liquidity needs and long-term investment strategy.
- Opportunities to coordinate investment decisions with tax planning and updated estate planning priorities.

THE OUTCOME

Rather than continuing with a strategy built around his previous circumstances, Terry gained a clearer understanding of how his investments could support the next chapter of his life.

While investment outcomes can never be guaranteed, the review helped Terry approach his financial future more intentionally by:

- Realigning his investment strategy with his evolving financial goals and risk tolerance.
- Identifying opportunities to improve coordination between his investments, tax considerations, and long-term financial plan.
- Establishing a clearer path toward retirement that reflected his individual priorities and financial needs.

The Takeaway

Major life changes, including divorce, can alter an investor's financial picture. A portfolio that once supported a shared vision for the future may no longer align with an individual's evolving goals, risk tolerance, or income needs. Revisiting an investment strategy doesn't always require making significant changes. It means making the decisions to stay the course or make adjustments are intentional. A coordinated approach to investment management and financial planning can help investors move forward with clarity and confidence.