Portfolio *Confidential*

Barbara Stewart

My wife and I have been together for nearly 40 years and our finances have been merged for most of our married life. We are both professionals: she is an academic researcher and I'm a real estate lawyer. In the last couple of years, as we have been approaching retirement, we've had divergent views on how to manage our investment portfolio moving forward. Mary wants to spend the money within her lifetime; she's particularly interested in travelling especially after being "locked down"! Conversely, I very much want to focus on maximizing the return on our portfolio so we can leave as much money as possible for our two adult children. We currently have eight different accounts with a combined asset mix of 60% equities and 40% bonds. Do you have any suggestions?

I like the fact that both you and Mary have clearly communicated your objectives. This is a great starting point! It is incredibly important to acknowledge and respect individual goals — even within the couple context.

Assuming that the primary objective for your portfolio is to fund your lifestyle in retirement, you will want to make sure that you don't skew your asset mix to the point that your couple lifestyle plans get derailed by your individual preferences. Start by deciding on a) the dollar amount that Mary desires for her travel expenses and other interests, and b) the dollar amount that you desire for your bequest to your children. It will be easier to manage if the amounts are roughly equal so spend some time on this discussion and agree on amounts that seem reasonable to both of you.

From there, I recommend that although your overall investment portfolio would continue to have an asset allocation of 60% equities and 40% bonds, two of your individual accounts would be managed according to each of your and Mary's specific objectives. For example, you would invest 100% in growth stocks in one of your accounts with the objective of saving for your children and grandchildren's future, since that is a much longer investment horizon than near term travel. Mary would then use part or all of one of her retirement accounts to fund ongoing travel and other expenses. Her account would be invested in a more conservative manner perhaps in short term bonds and cash equivalents.

I have my annual portfolio review coming up and I would like your advice as to the best questions to ask my investment advisor?