

# Your Financial Future

## Stay Diversified

### What is Diversification?

Diversification means choosing investments with varying risk and return expectations to reduce your overall exposure to risk. Different types of investments may gain or lose value under certain economic conditions. To reduce your overall risk, you can divide your investments among various stock (equity) investments, bonds or cash (fixed income investments).

### How Many Investments do I Need?

Your retirement plan may offer many investment choices. Keep it simple. You probably don't need them all. You can choose a variety of investments of different types or asset classes. MassMutual Retirement Services' web site, The Journey<sup>SM</sup> at [www.massmutual.com/retire](http://www.massmutual.com/retire), offers planning tools powered by Morningstar<sup>®</sup> ClearFuture<sup>®</sup>. These tools can help you set goals and determine an appropriate asset allocation strategy.

### Review Your Progress

Review your progress periodically and adjust your strategy as your personal needs change. Consider changing your investments if:

- ▶ Your marital status changes
- ▶ You have children
- ▶ Your job changes
- ▶ Your health changes.

### Changes Over Time

Once you choose your investments, market fluctuations may change your asset allocation. For example, let's say you originally allocated 60% to stocks and 40% to bonds or cash. If stock prices rose significantly, your allocation may have become 70% stocks and 30% bonds/cash. If you wanted to maintain your target 60/40 balance, you could rebalance your investments back to your original allocation.

The Journey<sup>SM</sup> offers automatic or periodic rebalancing services to simplify this process. You make the decision and the system does the calculation. Log on at [www.massmutual.com/retire](http://www.massmutual.com/retire).

### Close to Retirement?

As you approach retirement, carefully consider your asset allocation. You may want to reduce your level of risk or consider other factors, such as how many years you will be retired or other financial issues.



Massachusetts Mutual Life Insurance Company  
and affiliates, Springfield, MA 01111-0001

[www.massmutual.com](http://www.massmutual.com)