

# Investments for different time horizons



**Your time horizon** is the length of time over which you expect to invest your money. Your portfolio can hold a combination of investments for different time horizons. Here are 3 sample time horizons and some investments that might be appropriate for each one.

Time horizon	What to keep in mind	Investments to consider
<p><b>Less than 5 years</b></p> <p>Examples: saving for a car, vacation or down payment on a home</p>	<p>You want your money to grow, but if you get poor results, you won't have time to make back your losses.</p> <p>Consider: lower-risk investments that are easy to turn into cash.</p>	<ul style="list-style-type: none"> <li>• High-interest savings accounts</li> <li>• GICs</li> <li>• Savings bonds</li> <li>• Money market funds</li> </ul>
<p><b>Between 5 and 10 years</b></p> <p>Examples: saving for your child's education or a second property</p>	<p>You want your money to grow and you know you have a few years before you'll need it.</p> <p>Consider: some investments with more growth potential and a moderate level of risk.</p>	<ul style="list-style-type: none"> <li>• Bonds</li> <li>• Stocks</li> <li>• Equity mutual funds</li> </ul>
<p><b>More than 10 years away</b></p> <p>Example: retirement</p>	<p>You know you have many years before you'll need the cash. If you have losses, you have time to make them up. At the same time, this money is important for the future. You likely don't want to take on too much risk.</p> <p>Consider: some investments with medium to high growth potential and a moderate to higher level of risk.</p>	<ul style="list-style-type: none"> <li>• Equity funds including mutual funds, segregated funds and exchange-traded funds (ETFs)</li> <li>• Stocks</li> <li>• Whole life insurance</li> </ul>

Your investment time horizon strategies should be set according to your individual financial circumstances. A registered financial representative can provide investment recommendations to help you reach your financial goals.

**Learn more at [GetSmarterAboutMoney.ca](https://www.getsmarteraboutmoney.ca)**

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