

Risk Illustrations - Results + Costs

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This article is a continuation of article: [Risk Illustrations - Results Screen](#).

The Results + Costs button will display the forecasted return based on the criteria entered and the overall suitability of the illustration plan to meet the objective.

The Results include costs:

The screenshot shows the 'Risk Illustration' results screen in Synaptic Pathways. The interface includes a navigation bar at the top with a search bar and various menu items. Below the navigation bar, there are tabs for 'Outcome', 'Report', and 'Mark Status as Complete'. The main content area is divided into several sections:

- Client Information:** Client Name (Client Test), Client Risk Category (Balanced (High End)), and Created Date (19/08/2022, 10:33).
- Investment Parameters:** Term of Investment (10 Years), Initial Amount (£200,000.00), Regular Contribution (£300.00 / pm), and Regular Withdrawal (£300.00 / pm).
- Growth and Costs:** Growth Basis (Without Inflation), Total Solution Cost (1.70%), Potential First Year Loss (13.00% or £26,000.00), and Rebalanced Annually (Yes).
- Risk and Scenario:** Investment Risk Category (Balanced (Low End)), Objective Risk Category (Balanced (High End)), and Investment Scenario Pathway (Any Test Portfolio).
- Expected Outcomes:** Expected Outcome (Mean Gain) of £246,160.88 or 23.08%, Lowest Outcome (Min. Gain) of £153,340.00 or -23.33%, and Highest Outcome (Max. Gain) of £357,146.00 or 78.57%.

The 'Results' section is active, showing a 'Forecast based on investment scenario - With Costs' view. This view displays two charts: 'Forecast based on investment scenario - No costs' and 'Forecast based on investment scenario - With Costs'. Both charts show 'Value' on the Y-axis (ranging from £0 to £500,000) and 'Years' on the X-axis (ranging from 1 to 10). The charts include data for Forecast Mean Return, Forecast Max. Return, Forecast Min. Return, Contributions, Net Money In, and Withdrawals. The 'With Costs' chart shows a lower expected outcome compared to the 'No costs' chart.

Strategic Asset Allocation Comparison

Moody's stochastic engine is accessed directly by this application and provides data to populate these graphs, showing:

- Probability-based (stochastic) forecasts for the strategic asset allocation representing the risk category, alongside.
- The forecast is based on the investment proposal, or adviser recommendation.
- The simulation models the full range of viable outcomes.

The probabilities indicated are high and low final fund values expected by the model (5th and 95th percentile from the distribution model), and the average indicated is the 'expected outcome'.

[Risk Illustrations - Results + Inflation](#)

[Risk Illustrations - Results + Costs & Inflation](#)