Table 2: Portfolio Risk Scoring

Score	Investment Vehicle	Justification
0	Cash & Cash Equivalents	Near-zero volatility, highly liquid, government-insured/backed (e.g., Treasury bills, money market). Virtually no principal risk.
1	Bonds	Low volatility, predictable income, but some interest rate risk; higher risk than cash but still capital-preserving.
2	Mutual Funds	Actively managed portfolios with varying risk; greater liquidity risk than ETFs.
3	ETFs	Transparent, diversified, and liquid.
4	Individual Stocks	Higher volatility based on earnings and market performance; historically strong returns but with meaningful drawdown risk.
5	Hedge Funds	Higher risk based on the use of leverage, derivatives, and shorting strategies; less transparency, higher fees, and greater complexity.
6	Private Placements / Private Equity	Elevated risk based on illiquidity, long lockups, and valuation subjectivity; high return potential but generally lacking diversification.
7	Commodities	Highly volatile due to geopolitical and supply–demand factors.
8	Cryptocurrencies	Extreme volatility resulting from speculative dynamics, technology risk, and evolving regulation; prone to bubbles and crashes.
9	Other (e.g., NFTs, art, collectibles)	Risk based on illiquidity, lack of regulation, and highly subjective valuations; limited cash flow.