



Retirement

Balancing on the Life Cycle: Target Date Funds Need Better Diversification (Supplement)

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In [Balancing on the Life Cycle: Target-Date Funds Need Better Diversification](#), published in the Summer 2016 issue of *The Journal of Portfolio Management*, Jusvin Dhillon, Antti IImanen, and John Liew examine life-cycle funds, which have become an enormous industry in recent years. Such funds offer retail investors a useful option in the quest to save for retirement. However, life-cycle funds do have some drawbacks, and are under-diversified in several key areas. Dhillon and his co-authors evaluate five dimensions of under-diversification and show how to address each issue, resulting in better performance for people who are saving for retirement.

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