

### **Improve Your Financial Life in 2009!**

Yes! You still can improve your financial life in 2009. That doesn't necessarily mean you will have a full recovery of your portfolios by the year's end but you can definitely take steps to ensure your future financial success. What I am referring to is the actual mindset and habits one must possess to be financially successful.

I've been noticing a recurring theme in my practice as of late. I've been interviewing potential clients to see if we might be a good fit for another and have noticed that a lot of people have been severely damaged emotionally by these trying times. What I mean by that is people have been paralyzed by their fear and anxiety of the markets and our economy. They're not saving anymore, they're not living off of a budget, and worse of all, their procrastinating on the important things they should be doing. So, what should we be doing?

First and foremost, you need to make sure you're still saving for retirement. This is usually the first thing I see. Someone sees their account value go down in a 401k or something else and they say, "I'm not going to keep throwing my money away into this retirement plan!" This is a common misunderstanding. Here's the problem with this math. Retirement is coming one way or another. It's not changing its course for anything. If you decide to stop saving for retirement it's just going to make it harder on you in the future. My advice would be to continue to save the same way but maybe change your investment allocation to something you can live with for the time being. This will enable you to keep your good habit of saving for retirement.

Another issue I see is the lack of savings and the absence of a family budget. You may or may not know that the foundation of a healthy financial life starts with a good habit of saving and budgeting. This is a fundamental step to prosperity. If you master this one step, you'll be amazed how it can dramatically change your life. The next question usually is, "How much should I be saving?" The answer is different for everyone based upon their goals and needs but a minimum should be no less than 10% of your net income monthly.

Lastly, make a commitment to yourself to eliminate financial procrastination. What have you been procrastinating? Is it time to sit down and have that financial review and face the music if need be? Are you tolerating the lack of a budget and adequate savings? Is it time to hire a financial advisor to walk you through this turbulent market? Whatever it is, make a decision to face it and act upon it. I once read somewhere that procrastination is opportunity's natural assassin. Don't let opportunity pass you by! You can definitely take steps to improve your financial life by the end of 2009 and beyond. In every adversity lies an opportunity. Make the best of your opportunity today!

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