

Weathering the storm

Investments:

- Have your money work for you not you working for your money
- Set the right goals in accordance with your risk tolerance
- Set the right time frame
- Monitor and adjust as needed
- Diversify –by asset class, by sector of the economy, by individual securities
- Diversify over time – dollar cost averaging
- Don't follow the crowd
- Don't panic when markets fall, use them to your advantage
- Homes are for living in, they aren't usually a great investment

Household Advice:

Set Up a Budget: Spend 80%, Give 10%, Save 10%

- Spending:** Use it up, wear it out, learn to make do, do without
- Don't need it, never use it – buy needs not wants, delay gratification
 - Cut up your credit cards – do not borrow!!!!!!
 - Only buy necessities with cash or debit card
 - Set a goal for how much want to cut

Where to save:

- Eating out, especially lunch, usually \$6 a meal (200 days = \$1,200)
- Bringing own lunch saves about \$800
- Turn off premium cable and satellite (\$500-1,000)
- Trim subscriptions, DVD rentals
- Avoid banking fees – overdraft protection, late fees, check your statement
- Pay bills on time – late fees are often \$40 or more
- Buy generic not name brand clothes
- Cut out premium coffees/lattes
- Gym memberships
- Generic groceries – clip coupons, shop the sales
- Entertainment – find free instead of movies etc. – spend time with family, Board games etc, watch football,
- Volunteer, giving is receiving,
- Spring cleaning, sell old stuff.
- Be creative and share ideas with church to put in bulletins or on line
- Get rid of debt: pay down high interest rate credit cards/loans first

- Perspective:** This will pass
- Prices will drop – cars, homes, gas, food
 - This is an opportunity to build into and enjoy your family
 - This is a time to leave “keeping up with the Jones” behind
 - This is a time to build friendships and rely on your family, friends and church
 - This is a time to depend on your faith and see it blossom.

Matt 6:25 -34 "Therefore I tell you, do not worry about your life, what you will eat or drink; or about your body, what you will wear. Is not life more important than food, and the body more important than clothes? Look at the birds of the air; they do not sow or reap or store away in barns, and yet your heavenly Father feeds them. Are you not much more valuable than they?... But seek first his kingdom and his righteousness, and all these things will be given to you as well. Therefore do not worry about tomorrow, for tomorrow will worry about itself. Each day has enough trouble of its own.