

7 Secrets of Money Management

1. Pay yourself first – save 10% of your gross income. Be prepared for the future.
2. Avoid credit card debt – Be a convenience user not a revolver - use your credit card like your checking account. Don't overextend yourself. A good credit history will save you money on loans, insurance, etc.
3. Live within your means by using your earning potential. Continually build your career value and earning potential by building professional relationships and using education to stay up to date or gain new skills.
4. Make money efficient – lower taxes, reduce risk, and increase rate of return on your investments by choosing the appropriate mix of savings and investments. This is also known as asset allocation.
5. Buy and hold – invest on a regular basis to reduce the average cost of your investments. But invest for the long term. Continuous buying and selling to try and beat the market can be costly and may cause losses. Trying to time the market is a mistake. If you can hold onto your funds for 10 or more years, time is on your side.
6. Diversify – no-load index mutual funds are the best way to diversify as well as offering the lowest cost. In addition, have a balanced mix of assets – savings, bonds, and stock.
7. Build on your success – whether growing in your career or dealing with a significant change in your life, always take time to review and update your goals and assess what is most important to you and your loved ones. Continually use your strengths and your expertise to find new possibilities.