

New Year Money Reassessment

by vcmorris - Thursday, December 30, 2010

<http://thethinpinkline.com/2010/12/30/new-year-money-reassessment/>

Happy New Year - almost. A clean slate. A new start. Why not treat your money (and therefore your mindset) to a portfolio reassessment?

When you take a look at your family's portfolio, let your goal be: looking for ways to increase your comfort level. That's it. That's the goal. That's the first step in regaining some confidence as we all try to recover from the recession's ongoing aftermath.

I asked my personal financial planner, Gary Ambrose of Personal Capital Management – for what I described as “insanely useful bullet points” when giving yourself permission – confidence – to invest in stock again. Here's what he suggests:

- Develop an investment philosophy.
- Approach investing with a formal plan so you can make informed decisions.
- Remind yourself why you're investing and write down the reasons.
- Write down the long-term returns and the short term losses you expect because that will help keep you focused on the long term.

For those – and there are so many – who have been living paycheck to paycheck or have voluntarily created a more frugal lifestyle – let your goal also be: looking for ways to increase *your* comfort level, too. Give yourself a spending plan, a plan based on small goals and objectives. Each time you reach one of those doable, set goals – take a moment and notice what you did and how that decision shores up your financial vulnerability a little bit more. Good management of one's personal money is the first step toward self-reliance.

To me, the more self-reliant we are, the greater our comfort level. The greater our comfort level, the better we are able to make good choices. It's your money, so make this the year you take it personally, take control and find the *opportunity* in this continuing economic crisis – to get a solid financial life.

More suggestions for recalculating your family's relationship with money in my new book **MIND OVER MONEY MATTERS: It's Your Money So Take It Personally**™ now available for pre-order on Amazon.com. <http://www.amazon.com/Mind-Over-Money-Matters-Personally/dp/0982758812/>

Happy New Year! Here's to your health and wealth.