

# Report on rules to secure financial future

[Law](#), [Security](#)



## **Rules to secure financial future**

### Introduction

In the times of prolonged worldwide financial crisis a lot of people strive for financial stability and independence, as it can grant you a pretty much easy life even during harsh times. And regardless of money a person makes, most experts believe that with smart management every single person is capable of keeping more of what they make, than simply spending it, and they will still be able to make ends meet in their financial obligations.

### 3 rules to secure financial future

Do not overspend on buying stuff that you do not need, or can live without (spend or borrow money for investment, not to finance your lifestyle)

First of all, you need to make prioritize things in your life, as to whether, from the moment you start making money, you want only to spend it on yourself (including useless stuff), to save it (and live a “ student’s life”), or the best one out of three – to mix spending with saving. A careful check of your everyday expenses will help in you in achieving a goal of successful and wealthy life; every dollar spent should be counted, because as we all know money adds up to great amounts, that can definitely be put to a better use. But do not get to fanatic, and stop spending money on yourself at all.

Also, if the current job brings you little money or no money at all, do not rush to borrow money to maintain a lifestyle you cannot afford. When you borrow money, it should be borrowed either for an investment (for stock, bonds, own business) or investment in yourself (education, trainings, etc.).

## **Monitor your investments, if there are any, and make correct decisions**

When you invest your money into something (stocks, bonds, antiquity), you should just leave it, and forget about it. Actually the work on the investment only begins at this point. The latest information about the market conditions (brokerage reports, news reports and expert comments) should always be at your disposal, in order for you to make quick and smart decisions if anything goes wrong or good. The investment portfolio should be checked regularly in order to sustain its health.

But we cannot predict everything, and, unfortunately, sometimes things do go their own, different way. Many of us believe that if the investment brings you money once, it will do the same all the time, but when problems occur and we face loses, it is a very hard decision to make decision to sell at loss. That is when a precise check of your investment portfolio comes to help. Reviewing your portfolio will clearly show you what changes need to be done in order to make it profitable.

## **Think of retirement savings**

When you are young, and you have just started to earn your own money, it is not necessarily that the first thing that will come to your mind is your life after retirement. But it is way better to start planning beforehand, than start doing that in your 30's, when there are a lot more expenses to attend, than in youth.

The first thing that should always be in your mind is how to make sure that you do not outlive your own life's savings, therefore the projectile rise of cost of living, and possible increase in life expectancy should be included into the

calculation.

Of course, there are plenty of different ways to spend that money before reaching old age, and you cannot say that that would be a foul spending, but for almost all other purposes you can always borrow money, but it is doubtful that anyone would be willing to lend you funds for your retirement.

## **Conclusion**

Achieving financial independence is not an easy task to accomplish, but it is absolutely real to achieve, if you set your own priorities, and take the proper actions to make those become real.

## **Works cited**

1. Donna Rosato, “ Are you financially secure? 8 questions to ask”, CNN Money, Feb 21, 2013, <http://money.cnn.com/2013/01/01/pf/financial-security.moneymag/index.html>
2. Riju Metha, “ 10 golden rules of investing: How to secure your financial future”, The Economic Times, Dec 17, 2012, [http://articles.economictimes.indiatimes.com/2012-12-17/news/35868843\\_1\\_personal-finance-golden-rules-safe-portfolio](http://articles.economictimes.indiatimes.com/2012-12-17/news/35868843_1_personal-finance-golden-rules-safe-portfolio)
3. U. S. Department of Labor, “ Savings Fitness: A Guide to Your Money and Your Financial Future”, <http://www.dol.gov/ebsa/pdf/savingsfitness.pdf>
4. U. S. Securities and Exchange Commission, “ Saving and Investing: A Roadmap To Your Financial Security Through Saving and Investing”, <http://www.sec.gov/investor/pubs/sec-guide-to-savings-and-investing.pdf>