

## Recipe for Retirement

Your chances of cooking up a financially secure retirement improve with planning, the right ingredients and careful monitoring. As a cook samples a dish in progress, so should you periodically take stock of your overall financial strategy and be prepared to make thoughtful adjustments to your recipe for a satisfying retirement.

### Season To Taste

**Reassess your net worth annually.** Estimate the current value of all your assets (your home, savings, investments, etc.) and subtract your debts (the balance owing on your home, credit cards, loans, etc.). Do this exercise yearly and you'll see how you're progressing toward your financial goals.

**Become an informed investor.** Learn about your investment options by reading and asking questions. Develop a personal investment strategy. Keep an eye on how your investments perform.

**Re-evaluate your investments.** Regularly ask yourself: Do my investments offer me the best chances for the return I need, given my age, income, desired level of risk, and other individual circumstances? Am I contributing all I can?

### Alter Ingredients With Care

**Don't watch—and react to—the stock market every day.**

Following the movements of the stock market can be educational. But for many people, daily monitoring is stressful and sometimes leads to their making impulsive changes they later regret.

**Don't deviate from your risk comfort level.**

Carefully weigh your ability to withstand risk against your need for high returns. Don't let panic push you into a risk category that's too high—or too low—for you.

**Don't make abrupt changes.**

Your overall plan should be based on proven principles of investing. By all means, make changes when they're called for; but dramatic changes made under pressure are a recipe for trouble.

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