

Safeguarding your financial future in uncertain times

There are several ways to safeguard maximum financial security, regardless of where the economy goes. The first sure fire way to save money for the future is to reduce your expenses now. Revising your attitude towards spending and exercising caution when it comes to big purchases will help you to not only weather the tough times ahead, but also put you in an advantageous position when it comes to capitalising on opportunities down the line.

Consistently lowering your personal debt is also a key factor in preparing for an uncertain future. Set debt reduction goals for yourself and, if necessary, make some short term sacrifices. Most importantly, do not add any new debt on to your current debt load. In this day and age more and more people are proving that living a credit-free existence is possible and, in this case, the philosophy of "If I can't afford to pay cash, I can't afford it" is a good one to bear in mind.

Another key factor in being comfortable during times of economic uncertainty is to secure your job by making yourself indispensable. Unemployment is still relatively low, despite reports of job losses occurring quite frequently. However, businesses are taking a 'wait and see' approach to hiring in changeable times, so look for ways to emphasise your unique skills and your value to your employer. Additionally, make sure you don't change career during uncertain times, if only because it puts you at the bottom of the seniority list meaning you'll be the first to go if the company has to lay people off.

Perhaps one of the most important things to remember when preparing for an uncertain future is to preserve your future assets. Try to avoid making withdrawals from ISAs and qualifying Life Assurance plans unless absolutely necessary. If you do start cashing in plan money you may be penalised for early withdrawals at the expense of your own future financial security. Additionally, spending money that took a number of years to save up may not be the easiest to replace, thus putting you at a disadvantage when cashing in your plan.

Overall, the best way to weather an uncertain economy is to exhibit sound [investment planning](#) and protect what you have, which can also be a good way to ensure you'll have a steady income in the future, regardless of fluctuations in the economy. It's also worth remembering that downturns in the financial world are normal, temporary phases of the economic cycle and are historically followed by ever increasing prosperity.

The bottom line is that financial self discipline is money in the bank.

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