

Perspective and Positivity

You will no doubt be aware that there are currently many in our community financially hurting. The media is infused with all that is going wrong in the world and the headlines are 99% negative... Let's just take a moment...

Yes, we are in a recession, an 'engineered' recession which is somewhat shallow. Last time we felt like this was back in the Global Financial Crisis in 2008 when the whole world was capitulating on itself, currently we are nowhere near that market negativity. A business cycle is generally 5 to 7 years, so we've technically missed a couple of bad/rough spots and had a reasonably good ride for the last 14 years. Since the GFC, there has been the 'blip' of Covid-19, Governments were printing money which fundamentally caused the recent inflationary cost-of-living crisis. Excess steam in the New Zealand economy needed to be let off, this is happening now – and yes it hurts!

At times like these – it is best to look up to the horizon!

If only a penny miraculously appeared every time someone said, 'I'll come see you when I win lotto' or 'when the kids leave home!' There is a misconception that you must be wealthy or doing well to use the services of a Financial Adviser - that couldn't be further from the truth! Financial advisers help people get their financial ducks in a row to build financial resilience for when a rough patch hits (like now)!



We help clients establish a 'Rainy Day' fund to soften the blow and implement strategies to help get you through a challenging time. Financial advisers are great bringing folks together on the same page financially, identifying goals that are meaningful to all involved, sorting retirement and Investment options, educating along the way, so when fluctuations happen in the markets, people understand where they are at and where they need to be.

The good news is you don't have to wait to build financial resilience, here are some of our top tips.

The first cab off the rank is always Cash Management: We encourage our clients regardless of their current financial position to pull 3 months of bank accounts into an excel spreadsheet and categorize their spending. Complete a deep dive to see where your money is going before you can redirect it!

What are you overspending on and what things, that were once luxuries, have since become necessities – can you go with them now? If you don't have one, set up a dedicated 'Rainy Day Fund' and contribute regularly to it, building up to 3 months of expenses.

Our second focus is establishing your financial goals: What are you working towards this year, in the next 5 years and longer term. What sort of retirement do you want? It is super important to create a purpose - something that is achievable and motivating to work towards.

Review, trim and refocus: Financial Advisers offer a 'Financial health check' – which looks into your money related strategies and makes sure they are still fit for purpose. They check things like estate planning (Wills and legal documents), your insurance requirements and your investment strategies for your future self. They recommend what tweaks can be made, where your priorities are and help take the emotion out of difficult decisions.

Often rough times highlight how unsustainable our outgoings and lifestyle have become, so by talking to an expert, together you can give your finances an overhaul. Remember, brighter days do come, it's what you do consistently that has the most effect in the long term, not just one decision here or there. You've got this!

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