Written by 'Layin' it on the line' By Lawrence Castillo Guest Columnist Friday, 23 December 2022 02:14



"If you want to retire well, you will need to be even more vigilant about protecting your cash, both now and in the future."

Aside from the low-interest rates, people who save in traditional vehicles such as bank Certificates of Deposit and savings accounts face volatility and uncertainty.

When the economy shows signs of faltering, the Federal Reserve typically cuts interest rates. When inflation fears come, the Federal Reserve will usually increase interest rates to slow the economy.

While this can be great for some folks, it punishes those with large cash reserves parked in CDs or savings accounts, often causing them to take more risks with their money than they usually would.

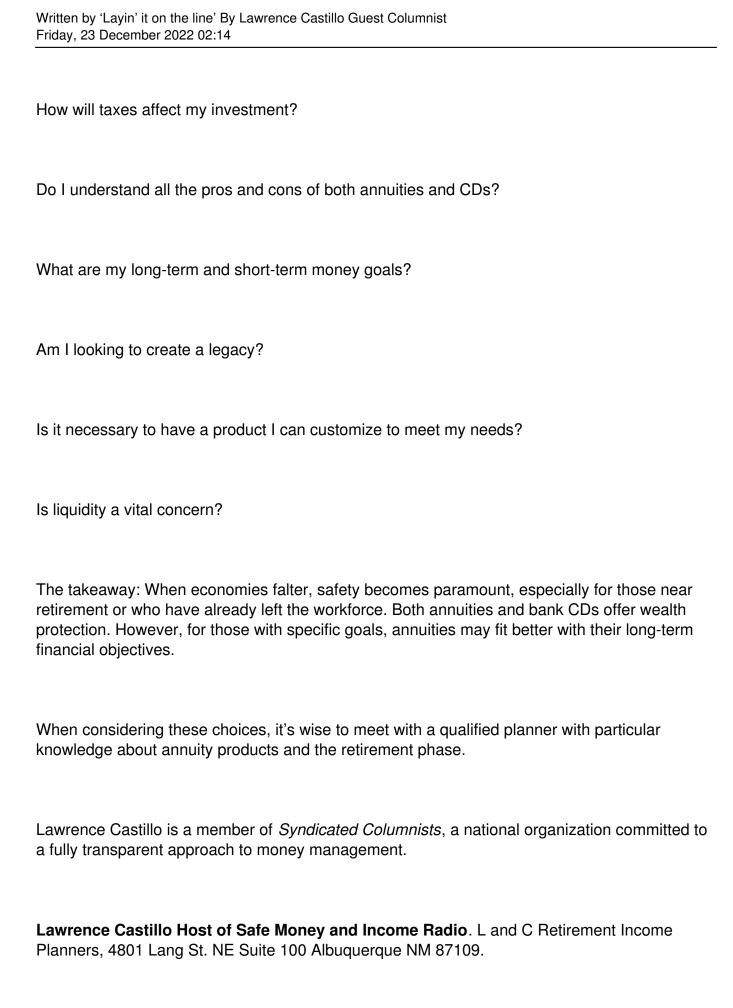
Despite volatility in interest rates, banks continue to tighten lending standards and aggressively avoid risk, making it more difficult for small businesses and individuals to borrow money.

In a shaky economy, safety rules.

When there is economic uncertainty, most people move to safety, especially if they are on track

How critical is portfolio diversity to me?

Written by 'Layin' it on the line' By Lawrence Castillo Guest Columnist Friday, 23 December 2022 02:14 to retire in a few years. Although they are well aware of the erosive effects of inflation on their wealth, many retirees are afraid of losing money they don't have time to replace. That's why those near retirement often seek to transfer their more vulnerable assets to safer vehicles, such as annuity products or CDs. Should you choose an annuity or a CD? Suppose you are someone with cash reserves withering away in a low-to-zero interest account and want to find ways to make that money work harder and smarter for you. After exploring their goals and risk tolerance, many pre-retirees choose to balance their portfolios with "safe money" products, such as annuities or bank CDs. While CDs are a traditional safe money choice, annuity products offer some additional advantages. In deciding whether to place money in an annuity or a CD, you should ask yourself: · Is it essential the government backs my investment, or do I trust the insurance industry? Do I want a stream of guaranteed, predictable Income? For how long do I want my money invested in a product? What will I do with the money once I have it saved?



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