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### Managing Your Finances During an Inflationary Period

It's hard to ignore the real-life impacts inflation is having. While gas and grocery prices are having the most immediate effect, the price of almost everything is going up. People who are looking for ways to counter the impact and preserve financial stability can start with these solutions. They're accessible options that can make a real difference.

- **Search for better savings options** – If you've been parking your savings in your bank's basic savings accounts, you know that you're not earning much in the way of interest. Historically speaking, higher inflation leads to interest rates rising, but so far that hasn't been the case. Still, online banks and others have introduced some attractive options that may make it worthwhile to shift your savings. The stock market and long-term investments are other options, though the uncertainty may not be for everybody. Experts urge people who opt for investment to diversify and to resist being reactive to sudden drops in prices. A long view will usually result in incremental growth.
- **Pay off your credit cards** – While savings account interest rates aren't rising, credit card interest rates are. If you're carrying debt from one billing cycle to the next, you're paying too much – and are likely to be paying more soon. Evaluate the rates your current card is charging and if you can, consider a balance transfer – especially to a card that is offering special introductory terms. One way or another, create a plan to pay your debt down and stick to it.
- **ARM Mortgage Update** – Mortgage rates have been at historically low levels, but that won't last much longer... in fact, they're already rising. If your mortgage rate adjusts, don't get complacent. The rates that are coming are going to be significantly higher, so now's the time to refinance and grab a low fixed rate while they're still available.
- **Maximize Your 401K** – If your employer offers a 401K program with a match, do whatever you can to maximize your savings. The more that you put away now, the better off you will be in the future.
- **Be Cost-Conscious** – When money is flowing and prices are low, it's easy to get into a casual spending habit. Now that prices are rising, it's time to take a closer look at where your money is going. From auto-renewing subscriptions to services you may no longer be using, to using food delivery services instead of going out to pick up your groceries yourself, it may be time to write down what you're spending, eliminate where you see waste, and create a budget you can stick to and increase the cash you have in your pocket. You'll be amazed how much you can save if you look for sales, turn the heat setting down by a couple of degrees, and start shopping smarter.

As with all boom-to-bust cycles, this period will also come to an end. Following this advice will help you get through the added cost increases without significant consequences to your pocketbook.