

BUSINESS INSIDER

5 Life-Changing Financial Headlines That You'll Never See

JONATHAN K. DEYOE, CONTRIBUTOR December 22, 2014

The financial media recycles the same headlines day in and year out: "The Top 10 Investments of the Decade, Month, or Millennium," "Take Advantage of Last Week's Trends Right Now," or "Be Very Afraid of Tomorrow's Tempest in a Teapot Today."

We've all read them 100 times, and none of us are we any better off as a result.

Fear and greed may drive mouse clicks and website traction, but following the investment advice on the internet will do little for your long-term financial success.

Wouldn't it be great if the time-tested techniques that truly can help you grow your wealth were front page news?

Here are 5 financial headlines that could change your life, if they ever made it to press. No story necessary.



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You won't see these financial headlines in the news.

Get rich spending less than you earn.

Spending less than you earn is the single most important financial lesson you can learn. It is the cornerstone of all financial success. Spending much less than you earn can help you build a fortune.

No sophisticated investment technique outpaces this simple truth, and even the greatest stock picks in the world won't undo the damage if you consistently live beyond your means.

Emergency funds save lives.

Build and maintain an emergency savings fund equal to 3-6 months of your regular expenses. That way you won't have to raid your retirement account if you need a root canal or to buy a bus pass when your car breaks down.

If your life costs \$3,000 every month, save \$9,000 - \$18,000 in a cash account. If your life costs more than \$5,000 and you don't have an emergency fund, re-evaluate your spending today — because you are one job-loss away from losing it all.

Dollar cost averaging 10-20% every month: the secret to a successful retirement

The practice of investing the same amount of money every month, regardless of market fluctuations, is called dollar-cost averaging. Dollar cost averaging 10-20% of your income into a retirement account every month does at least two important things for you.

It helps you develop the discipline of living within your means before you're on a truly limited retirement income, and it helps you build that all important nest egg, so that you'll have a source of income when you do retire. By the way, successful doesn't mean rich. Successful means you don't run out of money in retirement.



[University of Exeter/Flickr](#)

The money rules that make everyday life better aren't always newsworthy.

Debt is bad news.

When you carry debt, you have to make monthly payments. These payments reduce the money you have to spend on essentials (groceries and phone bills), and fun stuff (movie tickets and fancy feasts). 40 years ago, folks saved up to buy new clothes, used cars, and first homes. Today

we don't wait until we can afford something to buy it. Instead of having patience, we have poor impulse control, plastic, and financial stress. Folks 40 years ago were right. Debt is bad news!

Double your money by working two jobs.

Having trouble making ends meet every month? Want to get out of debt or get ahead faster? Consider taking a second job or starting a side business. Check out websites like taskrabbit.com or fiverr.com for a list of ideas.

No one said that saving money is easy, or that paying off your student loans is a breeze. No one said that being saddled with big medical bills is fair. But you are where you are financially. If you want to be someplace else, and you aren't earning enough to live well today or save for tomorrow, you'll need to earn more to get where you want to go.

These five headlines may be the only ones truly worth reading if you're looking for life-changing news. At least until someone comes up with a "Cure for Cancer!" or discovers "Life on Mars!" Feel free to re-read them whenever you're craving a financial media fix.

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