

Select Portfolio Management, Inc

26800 Aliso Viejo Parkway

Suite 150

Aliso Viejo, CA 92656

949-975-7900

800-445-9822

info@selectportfolio.com

www.selectportfolio.com



How to Cut Costs if You're Spending Too Much

How to Cut Costs if You're Spending Too Much

How do you cut costs if you're spending too much?

No matter how tightly you try to control your spending or how strictly you follow your spending plan, at some point you are likely to wonder how you can cut costs. In order to find out how to cut costs, you first need to find out where and when your spending occurs. Then you can decide whether you need to make major changes or if minor adjustments will do the trick.

Understand your spending habits better

Spending is a behavior, and, just like any other behavioral change, it requires monitoring while you are trying to change it. If you feel that you are spending too much, you'll want to determine when you do your spending and what items you spend the most money on. One way to get started is to track your spending for a period of time and try to determine if you have a spending pattern. You may find that you are spending more on payday or when you are feeling frustrated or stressed. By identifying spending patterns, you can use extra caution when you find yourself in those situations. Next, you'll want to identify the items which you spend the most money on. For many of us, buying clothing may involve shopping around to find the right price, but looking for a sale for groceries may not even occur to us. There are certain categories in which overspending is more likely to occur. Identify those categories and try to find out how you can reduce your spending on them.

Make major long-term spending changes

If you feel that you want to curtail your costs on a larger scale and make major long-term changes, consider the following suggestions:

- Before taking out a loan or using a credit card, shop around for the lowest interest rates
- Consider refinancing existing loans
- Look into loan consolidation
- Determine whether it makes sense to downsize into a smaller home
- Make sure that you are not overinsured (e.g., having collision and comprehensive auto insurance coverage on an older car)
- Buy a pre-owned vehicle rather than a brand new one/consider eliminating a second vehicle

Minor changes can also make a big difference

Many times, minor changes can make a big difference. You may be surprised how small changes in spending can add up. The following are just some of the little things you can do to cut expenses:

- Brown bag your family lunches
- Limit dining out to special occasions only
- Try to cut down on utility costs by making small energy-saving improvements to your home (e.g., shut off electronics when not in use)
- Be a smart shopper by taking advantage of available sales and discounts

This material does not constitute the rendering of investment, legal, tax or insurance advice or services. It is intended for informational use only and is not a substitute for investment, legal, tax, and insurance advice. State, national and international laws vary, as do individual circumstances; so always consult a qualified investment advisor, attorney, CPA, or insurance agent on all investment, legal, tax, or insurance matters. The effectiveness of any of the strategies described will depend on your individual situation and on a number of other factors.

Advisory Services Offered Through Select Portfolio Management, Inc.

A Registered Investment Advisor

Securities Offered Through Securities Equity Group

Member FINRA www.finra.org , SIPC www.sipc.gov

Select Portfolio Management, Inc

26800 Aliso Viejo Parkway

Suite 150

Aliso Viejo, CA 92656

949-975-7900

800-445-9822

info@selectportfolio.com

www.selectportfolio.com