Competing Goals

Savings step 2: Personalize to your goals

With

Matt Gellene, Head of Consumer Banking & Investments
Field Advisors and National Performance

Please see important information at the end of this program. Recorded 7/6/2016
Matt Gellene: If you’re finding it difficult to balance immediate demands on your Most of us face the challenge of juggling a number of saving and investing goals at once. How do you take control and decide what to do first? Let me walk you through a process that may help you make better decisions by focusing on what’s most important to you.

First, write down your three or four biggest financial concerns or goals — both short-term and long-term. For many people those goals fall into four categories:

Saving for the future, that is retirement or education. Near-term savings, a house down payment or buying a car. Taking care of debt, that is high-interest rate credit cards or student loans.
And creating a safety net through insurance for medical expenses, or a home repair.

The “big picture” view can help bring everything into perspective. But it can also be overwhelming. If it is, make it more manageable by thinking in terms of “unpacking” all of the financial concerns on your mind, like you would unpack a suitcase — one piece at a time. This gives you the opportunity to say, “Here are the items that are truly important to me.” So you’re not so overwhelmed anymore.

Next, let’s take a look at how your personal priorities — such as your family, your home, etc. How it might affect the goals you emphasize at this point in time. This helps you focus your attention on what’s important to you.
Here’s an example of how your life priorities could shift your saving and investing goals over time. When you’re just starting out your priorities and goals may be more balanced. You’re saving for retirement and a house, paying off student loans and starting an emergency fund.

In your peak saving years you place more emphasis on your retirement and saving for college for your kids. And debt may be a factor if you’re sandwiched between expenses for your kids and aging parents.

Finally, as you get later in your career and are nearing retirement, you’re ramping up your retirement savings using catch-up contributions and saving enough to cover unexpected medical costs. Your debt might be lower because you’ve made progress paying off credit cards and paying down your mortgage.

As you evaluate your goals and priorities and decide to put more or less emphasis on different saving and investing goals over the years, don’t forget to think about how much risk you’re willing to take when you invest. What your liquidity/cash needs might be at that point and your overall time horizon.

Remember: This is not a one-time exercise. Your emphasis will likely shift as your life priorities and finances change over time.

Whatever changes you make, don’t forget the importance of always keeping retirement savings top of mind. We have some ideas to help you do this at Merriledge.com/competinggoals.
Important Information

The material provided in this video is for informational use only and is not intended for financial or investment advice. Merrill and/or its affiliates assume no liability for any loss or damages resulting from one's reliance on the material provided. Please also note that such material is not updated regularly and that some of the information may not therefore be current. Consult with your own financial professional when making decisions regarding your financial or investment management.

Merrill Lynch, Pierce, Fenner & Smith Incorporated (also referred to as “MLPF&S” or “Merrill”) makes available certain investment products sponsored, managed, distributed or provided by companies that are affiliates of Bank of America Corporation (“BofA Corp.”). MLPF&S is a registered broker-dealer, Member SIPC and a wholly owned subsidiary of BofA Corp.

Merrill Lynch Life Agency Inc. (MLLA) is a licensed insurance agency and wholly owned subsidiary of BofA Corp.

Investment products offered through MLPF&S and insurance and annuity products offered through MLLA.

<table>
<thead>
<tr>
<th>Are Not FDIC Insured</th>
<th>Are Not Bank Guaranteed</th>
<th>May Lose Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are Not Deposits</td>
<td>Are Not Insured by Any Federal Government Agency</td>
<td>Are Not a Condition to Any Banking Service or Activity</td>
</tr>
</tbody>
</table>

Banking products are provided by Bank of America, N.A. Member FDIC and a wholly owned subsidiary of Bank of America Corporation.

©2019 Bank of America Corporation. All rights reserved.

ARNG3BJ7

05/2019