MACIAN
NEWSLETTER
June 2010
www.macian-wm.com

Personal Finance Goals

Why set goals?

Regardless of your current status, financial needs evolve. Changing circumstances as well as unexpected occurrences can affect your finances.

Planing is key to financial success. Being aware of current and future needs fosters peace of mind. Whether you want to create a working budget, a college savings plan or donate to charities, goals can help you reach any dream. Finances are a daily reality and they deserve your time and attention.

Envisioning your goals.

Planning short, mid and long-term goals may help you get a complete picture of what you want to achieve.

•Short-term Goals (within 90 days).
•Mid-term Goals (3-18 months).
•Long-term Goals (18 months – as far out as you can plan).

Getting It Done

Financial goals are your blueprint for future needs and help to keep you focused. Once you have written down your goals, you can get to work on your plan.

Goals need to:

•Be written down.
What gets written gets done. Goals provide direction, purpose, and helps develop a strategy.

•Be very specific.
Writing specific and detailed goals help you better understand your wants and needs. Rather than to save money, a more specific goal would be to transfer $500 into a savings account each month.

•Have deadlines.
Every goal should have a deadline to create a sense of urgency.

•Be measured.
It should include an ideal timeline to when you will meet certain milestones. For example, to save $100,000 by setting aside $500 per month for fifteen years to measure monthly progress.

•Be consistently re-evaluated.
As you work toward a goal, your situation may change. You want to make sure that your goals are still attainable and realistic. "Can I achieve this goal in the given time-frame?" "Is this goal relevant to my situation?"

•Be rewarded.
When you achieve a goal, it is important that you acknowledge what you have accomplished. For example, upon completion of creating an emergency fund, treat yourself to an enjoyable dinner.

Letter from the CEO

By Jadine Wong

May was a terrifying month. Major legislation did not help settle the nerves of many Americans. The bailout concerns of Greece and the Gulf Oil Spill only added to the anxiety. The culmination of these events further choked our economy.

But May was not all bad news. For instance, for every $1 of earnings that S&P 500 companies made in the 1st Quarter of 2009, they had $2.42 of earnings in the 1st Quarter of 2010. In addition, Apple sold 1 million iPads on May 3rd. With this information, what should you do?

1.) It is important to know and understand your goals before you invest. Always invest with a purpose. By doing so, the outcome of your investments can be more closely gauged For example, if you are looking for a stable income, you may not want to be heavy on non-dividend or risky positions. Understanding what you want your money to do, will help your wealth manager when constructing your portfolio.

2.) Know your true risk tolerance. We all like to believe that we are aggressive investors, but we cannot always be so. To define tolerance, we at Macian ask: 'How much loss can you endure for a certain amount of gain within a defined time frame?' Many do not know how to answer this question.

Some may think they cannot handle risk, but their personality says otherwise; and vise versa. Yes, tolerance correlates with your personality and we believe that your daily actions dictate your investment risk. If you are not sure, simply ask your wealth manager what your risk tolerance is and make sure your portfolio mirrors that assessment.

Don't Do It Alone.

Here at Macian Wealth Management, we believe that investors should work with their wealth manager to solidify their goals and put their plans into action. It is assuring to know that someone is on your side, looking out for your interests. Here is some advice for investors:

•Do Something

There is no guarantee that the market will go up in a day, a week, or a year. But there is one thing we do know, inaction is NOT a retirement plan.

•Start Early

Postponing your investments will not help your retirement plan either. You may already understand that investing early is beneficial because of compounding and reinvesting. You must take advantage of these opportunities, sooner rather than later.

•Do Not Play on Emotions

Not all investments are for everyone. It is easy for our emotions to hide our goals. Have a wealth manager ensure that you are not buying and selling because of your feelings.

These are guidelines you want to consider. We understand that investing can be scary for some and not all investments are for everyone. You should sit with a wealth manager to see what are the best strategies for success and which align with your goals.

Macian Wealth Management
555 California St., Suite 300
San Francisco, CA 94104
Phone: 415-568-2305