

Media Release

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## Tips for coping with market volatility

Information to help New Zealanders cope with the current situation in the financial world has been posted on the Retirement Commission's independent money guide website [www.sorted.org.nz](http://www.sorted.org.nz) (see below).

Retirement Commissioner Diana Crossan says the tips have been developed following calls from people who are nervous about managing their money in the current environment. She says investors need to think long term and remember that financial markets are volatile.

"I would urge people to continue to plan for their retirement, despite the current turmoil. Regardless of whether we are living in good or bad times, New Zealanders need to prepare for their future financial security," said Diana Crossan.

"It's also important not to panic or make rushed decisions, but at the same time don't put it off. It's better to do your homework and get as much information as you can so you are in a position to make well-informed decisions about your finances.

"For some of you this might mean sitting down and re-doing your budget so you have a clear understanding of your financial situation. [Sorted](http://www.sorted.org.nz) has calculators to help you do this, including a budget calculator and a calculator to work out your net worth.

"If you find you can't meet your commitments, the first step is to contact your lender or bank. If you can reduce spending, you might be able to consider using the surplus to pay off debt," said Diana Crossan.

[Sorted](http://www.sorted.org.nz) has information to help New Zealanders get financially sorted, regardless of their financial situation and stage in life. There's information on how to set short, medium and long term goals and the importance of planning.

The Retirement Commission has also just produced a new booklet, **Sorted - Your guide to getting there**, which provides information on goal setting, making a budget and planning for retirement.

### For more information contact:

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## Market Volatility: What do I do?

- Don't panic. Take time to make considered and informed decisions
- Have a close look at your financial situation. Do a detailed budget of all your income and spending.
- See if you can reduce spending to pay off debt.
- If you can't meet your commitments, talk to your lender/bank about your options as soon as possible.
- Try not to miss any payments to avoid getting a bad credit rating.
- If you are having trouble paying your credit card bill, stop using your card.
- Don't get a new credit card to pay off the bill on your current credit card. If you can't afford the repayments, see if you can re-finance your debt into a lower interest loan.
- Remember that shares or a fund that includes shares are generally best suited for long term investing and will be affected by market fluctuations.
- Find out what your risk profile is so you can make investment decisions that you are comfortable with.
- Don't be put off from saving, especially for the long term. By saving regularly and earning interest on your savings, even the smallest amounts can grow substantially.
- Use the sorted.org.nz calculators to help you with your decision making. Do your homework so you can make well-informed financial decisions.