

8 retirement mistakes to avoid



No strategy.

Without a strategy, you may have no goals, leaving you now way of knowing how you'll get there - and if you've even arrived. Creating a strategy may increase your potential for success, both before and after retirement.



Frequent trading.

Chasing "hot" investments often leads to despair. Create an asset allocation strategy that is properly diversified to reflect your objectives, risk tolerance, and time horizon; then make adjustments based on changes in your personal situation, not due to market ups and downs.



Not maximizing tax-deferred savings.

Workers have tax-advantaged ways to save for retirement. Not participating in your employer's 401(k) may be a mistake, especially when you're passing up free money in the form of employer-matching contributions.



Prioritizing college funding over retirement.

Your kids' college education is important, but you may not want to sacrifice your retirement for it. Remember, you can get loans and grants for college, but you can't for your retirement.



Overlooking healthcare costs.

Extended care may be an expense that can undermine your financial strategy for retirement if you don't prepare for it.



Not adjusting your investment approach in advance.

The last thing your retirement portfolio can afford is a sharp fall in stock prices and a sustained bear market at the moment you're ready to stop working. Consider adjusting your asset allocation before tapping your savings so you're not selling stocks when prices are depressed.



Retiring with too much debt.

If too much debt is bad when you're making money, it can be deadly when you're living in retirement. Consider managing or reducing your debt level before you retire.



It's not only about the money.

Above all, a rewarding retirement requires good health, so maintain a healthy diet, exercise regularly, stay socially involved, and remain intellectually active.