



A Different Type of Inflation - One You Can Control.

(Prefer to listen rather than read? Check out our video [4 Retirement Expenses That Might Surprise You!](#).)

Inflation is an important factor to take into consideration when determining your retirement goals. It may be a hard number to pinpoint, but ignoring inflation poses a great risk to financial security later.

The number one concern with inflation is that it eats away at your retirement savings by lowering your buying power. From the costs of goods and services to healthcare expenses, almost everything goes up in price over time. While you can't control inflation rates, you *can* control preparing for it by saving more now to accommodate it later. The investments and strategies we use are designed to hedge against rising prices.

Besides traditional inflation, another type of inflation to be aware of is lifestyle inflation. This happens when you choose to increase your household spending every time your income increases. While it's natural to want nicer things as a reward for a job well done, spending more as you earn more becomes a slippery slope. If you choose to save more instead, it can substantially boost your retirement and counteract the inflation that'll impact your later years.

How can you avoid falling into this lifestyle inflation trap? Start by being aware of it. It's as simple as resisting the urge to buy that brand new car when you get your next raise. From there:

- Create a budget
- Enjoy lower-cost experiences over things
- Connect with people who have similar budgets
- Bank your excess cash
- Have clear financial goals
- Avoid new debt
- Stick to moderate lifestyle changes

Following tips like these can help create good habits that keep your lifestyle expenses in check and your retirement goals on course.