

Retirement Nest Egg Losses?

A Seven-Step Plan To Get Back On Track

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(NAPSA)—If you're like many

Americans, you worry about your retirement nest egg shrinking. A recent survey found one out of four

older Americans has postponed retirement or gone back to work. If you're feeling financial pain, start growing your nest egg again with this seven-step plan.



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1. Focus on goals. If you suffered losses, you may need to reassess your expectations, work longer or save more.

2. Diversify. Although diversification alone will not prevent losses in a declining market, it is one of the best ways to protect your nest egg. Investing in different types of investments—stocks, bonds, cash, CDs or money market products, real estate, etc.—means market conditions negatively affect only some of them.

3. Rebalance your portfolio. You should have a targeted mix of investments in your portfolio: For example, 60 percent stocks and 40 percent bonds. Since investment values fluctuate, the initial balance can change, moving away from your targeted mix and causing unwanted changes in your portfolio's risk and return. By fine-tuning your investment mix annually you help keep your portfolio in balance.

4. Don't borrow against retirement savings. If you take a loan out against your retirement savings plan at work, you'll have

to pay it back in full if you change employers. Depending on your age, you may have to pay substantial tax penalties on both 401(k) and IRA withdrawals. It could take years to replace or resave what you spent and lost to taxes and penalties.

5. Make your hobby or interest pay in retirement. As you reevaluate your retirement income needs, ask yourself if you could supplement your income by working part time at something you love. Maybe you've always wanted to work at a bookstore, sell handmade items, repair bikes or bake cheesecakes. Fulfill your dream and make extra money at the same time. Retirement could be rewarding personally and financially.

6. Save money now. Avoid debt. Consider refinancing an existing mortgage at a lower interest rate or consolidating high-interest credit card debt under a lower-interest, potentially tax-deductible home equity loan.

7. Get advice. A good financial advisor can help you grow and protect your nest egg as well as keep you on track to meet all your financial goals.

For a free **Retirement Checkup** or advice about rolling over retirement assets into an IRA, call an American Express retirement specialist at the IRA Solutions Center, 1-866-IRA-ADVICE; or at www.americanexpress.com/rollover. American Express Financial Advisors, Inc. Member NASD. American Express Company is separate from American Express Financial Advisors and is not a broker dealer.



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