

InFocus

Wealth Management Insights

January 2021

Game theory studies strategic interaction between rational decision-makers, and some of its earliest applications were to economic behavior. The discipline has earned enough cultural attention that the parallel to your finances is probably already clear – your portfolio is designed and built to optimally maximize the utility of your financial life plan. Perhaps it's more specifically like an asymmetric game, where “players” have different strategy sets (the plan tailored to you) with different payoffs (your individual goals). Of course, we know very well that money decisions aren't always purely rational. Luckily, your plan also recognizes this, and it seeks to harness the power of your emotional brain in a way that contributes to financial success. Read on for our look at both sides of the coin: math and mind.



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SAVING TOO MUCH TOO EARLY IN THE YEAR CAN HURT YOUR RETIREMENT

Few pieces of financial advice are more universally accepted than “save as much as possible as early as possible.” But contributing too much, too soon in the year to your 401(k) can potentially reduce matching contributions that you receive from your employer. Here's how to avoid this trap, and ensure you make the most of any “free money” that comes with your retirement plan. [Read the full article.](#)



BREAKING DOWN CORONAVIRUS STIMULUS 2.0



The new stimulus package, part of the larger Appropriations Act of 2021, covers a lot of ground: direct payments, unemployment benefits, business loans and tax credits, tax incentives for charitable gifts, and more. Catch our video podcast series, *Ask Buckingham*, for an overview of what is and isn't in this latest economic relief measure and how its provisions may affect you. [Watch the video.](#)

IS IT DANGEROUS TO COMPARTMENTALIZE OUR INVESTING?

We all tend to create “mental accounting” rules about how we will spend and save. These shortcuts can help us make sense of our finances. However, oversimplification can also lead us astray. Learn how mental accounting affects our thoughts around and decisions about money, as well as the dangers that come with compartmentalization and too-rigid rules.

[Watch the video.](#)



SET PRIORITIES AND OPTIMIZE DEBT TO BALANCE OUT UNCERTAINTY



Preparing for a rainy day, saving and investing for retirement, and optimizing debt (like your mortgage or student loans) are all important facets of your overall financial life plan. But sometimes even worthy goals compete, understandably sending you in different directions. Learn what may go into the balancing act as you weigh budget priorities heading into the rest of 2021. **[Read the full article.](#)**

THE RIGHT (OR WRONG) WAY TO RETIRE

Last year certainly had its challenges, not the least of which were changes to the way we work. It's entirely possible the whole thing made you want to up and retire sooner than you had planned before 2020 came and went. Before deciding to hang up your hat, however, thoroughly plan ahead to sidestep these planning mistakes that can destroy a perfectly nice retirement. **[Read the full article.](#)**



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