

CARRICK ON MONEY

Ten of the worst mistakes you can make in retirement



JACOB AMMENTORP LUND/GETTY IMAGES/ISTOCKPHOTO

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One of the lessons I'm learning about retirement is that everybody does it differently. Some retirees crave a connection to the work force, while others can't escape fast enough. Some live large, others can't or won't break a lifetime's habit of frugality.

Whatever your retirement preferences, you need to prepare properly so you can enjoy your life. That means preparation – knowing what to expect and having a plan ready to cope. This is the theme of a list I found of [mistakes](#) people make in retirement. Most of these mistakes can be avoided with planning that begins as much as 10 years in advance of retirement.

For example, you'll want to know what kind of lifestyle you'll be able to comfortably afford when you retire. Not adjusting your lifestyle is one of the mistakes on this list. Another is failing to move to more conservative investments. You'll definitely need some exposure to stocks if you expect a long life, but your prime goal as a retired investor is to preserve capital. Note: This is a U.S. list, so some of the terms are different. But the themes are right on the money for anyone looking ahead to retirement.

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Rob's personal finance reading list...

Where to travel in 2018

Budget travel expert Barry Choi lists 10 [top travel destinations](#) for 2018. Here's a list of the 10 cities [most popular](#) with Canadians last year.

Saving for the "near-impossible task of buying a house"

A peek at how a 29-year-old renting a one-bedroom apartment in a Toronto suburb [spends his money](#). He makes \$90,000 annually and is saving hard to buy a home.

Stop being an online password slacker

As a personal finance guy, I have online banking and investment accounts all over the place. So no one hates remembering passwords more than me. But until better technology comes along, we all have to put some effort into our passwords to keep our accounts safe. Using 123456, the [most popular password](#) of 2017, doesn't cut it. Same goes for Password, the second-most popular password.

How to make sure your suitcase comes off the luggage carousel first

A theme of this newsletter is that time is money. That's why I'm including this rundown on a trick to [avoiding long waits](#) for your checked suitcase after a flight.

Today's featured financial tool

Personal finance writing means you have to dig into economic numbers now and then. [Trading Economics](#) is one of my go-to websites for finding historical data on inflation, economic growth, unemployment, consumer debt and more.

Ask Rob

The question: "My wife and I have a total of \$50,000 parked in our RRSPs to be used as Home Buyers' Plan money in the summer of 2018. How can we make the money work for us while we do the house hunting?"

The answer: Find the best rate you can on a high-rate savings account and park your money there. Here's [a chart](#) comparing savings rates at a wide variety of online banks. There are a few options at close to 2 per cent or more. For background, the HBP allows

first-time home buyers to draw up to \$25,000 from a registered retirement savings plan, tax-free. The money withdrawn must be repaid over a maximum of 15 years.

Do you have a question for me? Send it my way. Sorry I can't answer every one personally. Questions and answers are edited for length.

Featured Video

You want to get into ETF investing, but you're confused by all the choices and details? This video is for you.

In case you missed these Globe and Mail personal finance stories

- Why the wealthy are feeling uncomfortable
- Not having a credit card means you have no credit history
- The five pillars of tax planning that can save you big money

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