



Ms. Biz Newsletter NEWS

Ms. Biz
with all
the biz
a Ms.
needs
to know in
personal
finances
and in
life.

June Wealth Tip

Spending Less and **Earning More** is our focus this summer. Consider it a three month hiatus from consumerism. As we explore opportunities, you will discover new strategies for successfully paying off debt, increasing your net revenue, and managing your expenses.

Get Serious with Credit Card Debt

It used to be that when you heard of someone with credit card debt it was because they had just returned from a fabulous trip out of the country. Now, I am finding more people in debt not for mismanaging luxury purchases but because of the expenses of everyday living. From groceries to the kids football cleats, to the electric bill, more day-to-day expenses are ending up on the credit card and driving paycheck-to-paycheck Americans to the brink of bankruptcy. It is time to get serious about credit card debt now!

The truth is simple – if you don't have savings what you have is debt. And debt begets debt as compounded interest rates gobble the majority of the minimum payment and make unnecessary purchase's a major expense. What we end up with is the modern day scenario where the majority of American households are carrying a debt of \$2,000 or more. 15% of all Americans owe more than \$9,000! \$9,000 of debt plus another \$1,000 in interest payments, and that's if you are lucky enough to have an interest rate at 14% or less.

As Benjamin Franklin said, "Rather go to bed supperless than rise in debt."

So before investing in the market, check to make sure you can't earn a higher rate of return simply by investing in debt repayment! If you have a credit card balance at 19% interest, and you increase your credit card payment, you will get a guaranteed 19% return on your investment. Nothing in the market right now is earning that high a rate. What's more, it is tax-free!

Begin practicing the "[Five Steps to Living Credit Card Free](#)" this month to end 2009 a fiscally stronger individual.

Compare your debt repayment plan to your savings initiative online at www.msbizradio.com Click on "Financial Planning" and then "Financial Calculator."

Quote of the Month

A man in debt is so far a slave.

- Ralph Waldo Emerson

Heard Weekly!
570 KLIF
Every Sunday
(7-8 PM)

Ms. Biz
Empowering Women in Personal Finance
www.MsBizRadio.com