

Let's Talk...

Let's Talk ... About Strategies to Protect Your Wealth from Inflation and Tariffs

Inflation and tariffs are making headlines, and it's easy to feel overwhelmed by how these trends might affect your personal finances. Let's break down how they impact your savings and explore strategies to help you protect your wealth.

Note: This article contains the most up-to-date information at the time of publishing.

Current Trends in Inflation and Tariffs

Inflation has been on the rise, impacting prices for essentials like groceries and gas, which reduces the purchasing power of your money and diminishes the value of your savings. Tariffs on imported goods can raise prices for consumer goods, contributing to inflation.

Learn More

This Fidelity article offers additional insight on the impacts of inflation and tariffs.

Strategies to Protect Your Wealth

Imagine you've saved \$10,000. If inflation runs at 5% annually, that money will have significantly less purchasing power in just a few years. For example, in three years, your \$10,000 will only be able to buy what \$8,638 can today, meaning you'll need to save more to maintain your current standard of living. While inflation and tariffs pose challenges, there are things you can do to safeguard your savings and improve the likelihood of a secure financial future. Below are some actionable steps to help you along the way.

Diversify Investments: To maintain your purchasing power, your portfolio should grow at least as much as inflation. Diversifying your investment portfolio is one of the best ways to achieve this, as it minimizes the risk associated with any single investment type.

The Halliburton Plan Has You Covered

- Halliburton's **Retirement Portfolios** offer a balanced approach, creating an age-appropriate asset mix based on your expected retirement date. Plus, the rebalancing work is done for you, which means you'll always have an age-appropriate asset mix without having to take

any action. This strategy can help mitigate risks associated with inflation and market fluctuations.

- If you prefer a hands-on approach, the Plan's **Single Focus Strategies** allow you to build your own custom investment portfolio by selecting your own mix of stocks, bonds, and other investments. The **Inflation Sensitive Strategy** is a great option that can help you preserve and grow purchasing power, enhance your portfolio diversification, and guard against market shocks in inflationary environments. Consider adjusting your investment mix through **automatic rebalancing**, to ensure your portfolio aligns with your financial goals. Check out this article for instructions on how to sign up for automatic rebalancing.

To check your current investments, log into your account at www.netbenefits.com.

Budget Effectively: As prices rise, budgeting can help you cut back on discretionary spending and find ways to save on non-essential expenses. Fidelity recommends the 50/15/5 budgeting method to support your financial goals:

- Save 50% of your take-home pay for essential expenses.
- Save 15% of your pre-tax income (including Halliburton contributions) for retirement.
- Save 5% for short-term savings.

Check out Fidelity's ["7 Steps to Learn How to Budget" article](#) to get started.

Maximize Halliburton Benefits: Contributing to a Health Savings Account (HSA) or Flexible Spending Account (FSA) with pre-tax dollars effectively reduces your taxable income, which means you have more disposable income available to cover rising costs due to inflation and tariffs. Additionally, maximizing your 401(k) contributions—especially to take advantage of the largest possible Halliburton match—can help combat the impact of inflation and tariffs by ensuring you have a robust retirement fund that grows over time.

Don't Rely Too Heavily on Cash: In times of volatility, it's tempting to shift assets into cash for safety, but this can be counterproductive in an inflationary environment. Holding cash can erode your purchasing power over time. Missing out on market gains can hurt long-term performance whereas taking on some risk can help you keep pace with inflation and protect your financial future.

While inflation and tariffs can create uncertainty, taking proactive steps can help you protect your wealth and secure your financial future. For more insights, consider exploring past articles in the [Archive section](#) that delve deeper into these topics.

Sources:

[Investopedia: Tariffs Still Loom Large – Three Ways They Could Affect Your Budget](#)

[U.S. Bank: How Does Inflation Affect Investments?](#)

[USA Today: Inflation hit 7-month high of 3% in January. Here's what it means for Fed rate cuts](#)

[Fidelity: 6 Ways to Help Protect Against Inflation](#)

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