



Money and Mood Swings

The Motley Fool

By Dayana Yochim

A recent move uncovered a long-forgotten memento from childhood. In a shoebox full of keepsakes I rediscovered my first diary—a faded coral-colored tome no bigger than an address book, secured with a faux brass lock and heart-shaped key. Discoveries like this are to be drunk slowly so you can savor the wash of memories they trigger.

To set the mood I got comfy with a cup of tea and big fluffy pillows, cleared the calendar and grabbed the cordless to ring up lifetime friends so we could giggle at my girlish reminiscings together.

Seven minutes and four pages later I finished drinking in all of my deep, fifth-grade thoughts. (Likes: Barbies. Leif Garrett; Dislikes: My brother. Practicing the violin.)

Keeping a diary—or “journaling” as the purveyors of blank books with decorative covers call it—has never been my thing. So when a nutritionist suggested that I keep a Food and Mood Diary for a few weeks so we could get to the bottom of my high cholesterol, I knew we were both destined for a short, mildly amusing, but not-very-telling read. (Likes: dark chocolate, microwave popcorn, morning coffee. Dislikes: green beans, anything that takes longer than a Law & Order commercial break to prepare.)

It's a drill I know well, since it's what, on these very pages, I've told people to do when they want to get to the heart of their finances. (Though I've provided some shortcuts for budget-phobes.)

But the Food and Mood Diary has one important twist—the “mood” part.

At first I failed miserably on the whole “feeling” thing. How do I feel physically? I'm hungry, full, tired, or awake. What's my mood? Busy, distracted, asleep. What's to discuss? Just tell me if I've really got to cut out microwave popcorn—because right now, it's the cornerstone of my diet.

She wouldn't relent. To fully embrace any changes to my lifetime diet of processed foods and extra cheese, she said I needed to connect the dots between what I eat and how I feel—both physically and emotionally. Only then would I be able to commit fully to any lifestyle changes.

What she was saying, in effect, was that the facts matter, but it's even more important to find out why you do what you do.

And then it came to me: Hey, this is great for finances, too.



A different kind of accounting

If ever there's an area for stress reduction, it's finances. At the very least, money issues can cause low-level anxiety—that unresolved nagging feeling—that can disrupt your sleep and dampen your mood. Some of the stronger side effects of money mismanagement are divorce, depression, and even suicide. Resolving the anxiety is a matter of life or financial death.

Self-awareness is the first step toward financial—and physical—health. In “The Self-Healing Cookbook,” author Kristina Turner says that food may affect your moods more than you know or would like to admit. When you cut from your diet what she calls “high-stress” foods, your body is able to stabilize and your emotional state follows suit.

Her Food/Mood journal—similar to the one my nutritionist recommended I do—asks four important questions: How do you eat? How does that make you feel? How do you want to be? How are you willing to change? Substitute “spend/save” for “eat” and you have the makings for a successful Money/Mood improvement plan.

Get in touch with your inner spender

The first two questions—How do you spend/save? How does that make you feel?—are to be answered over a minimum of three days of tracking. (Two weeks is even better.) Fill in the factual details (e.g., spent \$10 on a lame salad for lunch at a place with horrid service). Within the next hour write down how that financial decision made you feel (e.g., annoyed for wasting money on something I didn't enjoy).

After several days you'll be able to identify some mind-money connections you might never have detected if they had gone unchecked. On the food front, for example, I discovered that a turkey sandwich makes me sleepy, but a half of a turkey wrap at lunch and the other half a few hours later keeps my energy level constant. It turns out that my afternoon Diet Coke pick-me-up really does nothing for my energy level after all.

Bad money habits can look suspiciously like bad eating ones. There's boredom spending, convenience shopping, catalog addiction, asset-allocation worry (checking your stock positions constantly), overdraft-fee dodgeball (checking your checking account balance constantly)—all of which are unhealthy for your bottom line.

Envision your flush future

On the next page of your bound pleather journal in a candy-colored hue, write down your ideal daily financial mood five years from now. What do you want to feel like when you check your 401(k) balance or open your mortgage statement? What amount is in your emergency savings account—the dollar figure that removes today's dread of car repair, roofing, disaster? What are the goals your five-years-in-the-future self is jotting down in your handsomely bound leather travel journal from Asprey?



Finally (and I swear this is all the journaling you'll have to do for now), make a list of the things you are willing to change about how you handle money today to get to that idealized future. Start with the small stuff—e.g., make lunch three days a week or set a food budget so you'll know exactly what you can spend each week without having to check your checking account balance.

Baby (carrot) steps

Starting small is difficult, particularly when the resolve to better your finances or your health is there. I was willing to purge my fridge of all processed foods and spend a few hours in the aisles of **Whole Foods** (Nasdaq: WFMI) reading the labels on all the cans and boxes. But my nutritionist knew that after a week of good eatin' I'd be back to my old Taco Bell ways.

Her assignment for the first two weeks was to get breakfast right. Just breakfast. Go ahead and eat whatever you need to for your afternoon and evening meals, she told me. But let's see how you do eating a healthy and easy-to-prepare breakfast each morning.

For two straight weeks I got breakfast right. On day 1, I felt like a different person. So much so that I actually looked forward to breakfast the next day.

I've seen the light. It tastes like oatmeal (not instant, either).

No longer am I crashing at 1 p.m., stuck in a meeting and then racing to McLunch. One small change made such a big difference that now I'm moving on to—you guessed it—lunch. I can hardly wait to see what I feel like after healthy meals from morning until night are a habit—my new norm.

As you start to see the benefit of small financial changes, and as they become habits, work your way to the bigger steps—e.g., getting a better-paying job; moving to a cheaper locale; making the kids apply for college scholarships so you can contribute more to your retirement plan. Think big, but start small.

If you want, you can keep a Money/Mood Diary as you institute new money habits into your regular regimen. (If you're really into that kind of thing, you might as well find your money chi.) The folks on our discussion boards often post their progress in paying off debt, saving for retirement, adding investments to their brokerage accounts, avoiding bad fats. Not only does it help them see their progress in a tangible form, but it also invites support and input from others facing similar financial issues. For even more hands-on help customizing your money pyramid, The Motley Fool's Rule Your Retirement service will help you whip your savings into shape one small, tasty step at a time. [Click here for a free trial.](#)

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