



# FINANCIAL WISDOM

- WEALTH BUILDER -

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## Get Smart Savings Tips

Balance in life is essential for well-being. Since finances are a number one stressor for most Canadians<sup>1</sup>, how you manage your money plays a key role in maintaining good life balance. We've curated some savings tips to help you enjoy your life now while also saving for your future.

**Budget** - A budget is a great tool for achieving financial balance. It's essentially a clear summary of your income and expenses for a given time period. A budget helps you identify needs versus wants, manage spending, and manage life expense changes. Whether you use a monthly or yearly budget, it needs to reflect your 'right now' needs, be simple to adjust and robust enough to address your long-term plans.

**Track Spending** - Track your spending for a month or two to discover your budget busters. This process will give you insight into your spending habits and empower you to make smarter choices and boost your savings.

**Plan to Save** - By making "savings" a budget expense, you make your future a priority. Decide what you will set aside from each paycheque, treat it as a non-negotiable expense and take pride in watching your savings grow.

**Shop Smart** - Essentials like groceries and gas are costly. Those who are "money smart" look for deals. Comparing prices, using coupons and taking advantage of cash-back options may yield a lot of rewards. Everything you save will improve your overall budget. It's also always very satisfying to know you've found a good deal.

**Isolate Savings** - Remove your savings account(s) from your debit card.

The money will still be accessible if you need it, but this will make it much harder to spend on a whim.

**Pay Down Debt** - When interest rates are rising, debt costs more. Paying down debt means reducing high-interest payment expenses so that these funds can accumulate in your savings account.

**Reduce Fees** - Bank and credit card fees add up. Inquire about lower cost bank accounts and credit cards. You could even call your credit card provider to negotiate a lower interest rate. Even a slight interest rate reduction could save you a significant amount over time.

**Go Off-Season** - Purchase things before you need them if they are on sale. Whether it's gifts, seasonal items, non-perishable groceries, or bigger ticket purchases, buy when the price suits your budget.

**Adjust at Home** - Energy efficiency at home can save a lot of money. From adjusting the thermostat to changing lightbulbs, savings on energy bills can add up over time.

**Acknowledge Success** - If you're living within your budget and contributing to your savings consistently, you're achieving financial balance. Pat yourself on the back and keep going!

Finding balance means knowing how to adjust as situations change. The tips above provide financial insight, but more help is available.

1. FP Canada: FP Canada™ 2022 Financial Stress Index

**Have questions about saving? We can help!**

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