



8 Ways to Improve Your Financial Knowledge

November is Financial Literacy Month and we have some great tips to help you improve your financial knowledge as we head into the New Year!

1. Nail Down Your Budget:

Building a budget is a fundamental part of financial literacy and control and can help you define your spending habits, and determine where there is room for adjustments. Plus, budget creation gives you a chance to review your cash flow situation to ensure it aligns with your financial goals.

2. Dedicate Your Savings:

Many individuals will have a savings account that is connected to their chequing account. This can be a bad habit, as it becomes too easy to use your savings account as a second account versus as a dedicated account for emergencies, vacation planning, or more. Ideally, you are putting 10% of your monthly income into savings whenever possible.

3. Live Within Your Means:

Ideally, this means you are not spending more than you are earning. By covering all expenses first and then reviewing your leftover income can help you determine the funds you have available for leisure activities and more.

4. Understand Your Banking Options and Interest Rates:

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5. Check Your Credit:

An annual review of your credit score and credit report plays a key role in your overall financial status. Your credit score affects your loans, credit cards, mortgages and the interest rate you can qualify for so be sure to understand where you fall on the scale.

6. Plan for Big Expenses:

Are you looking to replace your car? Planning a family vacation? Need to renovate your kitchen? These are typically larger expenses that should be planned for in advance. While sometimes an appliance will break and need to be replaced, the goal is to have funds in your budget (or savings) for when things come up unexpectedly but also to plan out spending before large purchases or bookings.

7. Review Your Financial Progress:

Ideally, you are updating your budget in real-time to capture increases to streaming costs, phone bills, etc. to ensure that you are keenly aware of what is coming into your account and going out. An annual review is a good idea, but keeping it maintained all year long will help you get the best picture of your financial situation.

8. Stay Informed:

When it comes to financial literacy, knowledge is power. With so many resources available, including your mortgage broker, it is easier than ever to stay on top of current economic changes, as well as new products or opportunities such as 40-year amortization mortgages!

If you want to learn about how to improve your financial knowledge and make your mortgage work for you, don't hesitate to reach out to a mortgage professional for expert advice!

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