

The Keys to Financial Freedom.

Are you living paycheck to paycheck, looking to put some money away in a savings account? Or maybe you've got some money saved up, but have no idea what to do with it. If you're ready to improve your financial situation, here are simple and easy steps you can take in order to get to where you want to be financially.

Learn

To make money, you have to know how money works. There are hundreds of personal finance books out there, and even more websites to help you get started. Once you have a better idea of your financial needs and goals, sit down with one of our financial advisors, who can give you advice that's unique to your personal financial situation.

Set a goal

Whether it's paying off your student loan, buying a home, or saving up \$5,000 within the next two years, the actual goal isn't as important as having one. That's because it's hard to develop a road map to financial freedom when there's no destination.

Time x Money x Rate of Return = Long term wealth

Investing small amounts of money over a long period of time is often better than investing a lot of money for a short time due to the power of compound interest. This is especially true for RRSPs (Registered Retirement Savings Plans).

Control your debt

If you owe money, make sure it's not credit card debt. Those companies charge at least twice as much interest as a line of credit from your financial institution. To reduce your debt, try to pay your entire credit card balance every month. If you can't do that, pay as much as you can – never just pay the minimum monthly balance. Compound interest is your worst enemy when it comes to debt.

Insurance

You need insurance for your belongings, for your life (if you have a family), and for your limbs. Nothing wipes out goals and plans, and good ideas faster than an earthquake or other disaster. Get a good insurance agent and get adequate coverage.

Make a budget

Make a list of your monthly expenses and categorize them into fixed (e.g. mortgage payment, auto insurance) and variable (e.g. groceries, entertainment). Now subtract that from your income, and if you end up with a negative number, you need to pare down your variable expenses. If there is leftover, you need to determine how to spend that money wisely: pay off excess credit card debt, invest in a TFSA, contribute to your RRSP, the possibilities are endless. Make your decision based on what option will best help you achieve your financial goals.

Our experienced Financial Advisors can help you achieve financial freedom. Visit your local branch or call 877.691.5769.