



## The Importance of Financial Wellness

Financial wellness is crucial to being a smart consumer, investor and saver. It is important to have the ability to effectively manage your economic life. Check out these key tips to learn how you can improve your financial wellness:

1. *Keep spending within your means.* Do you know where your money is going each month? Creating a plan for how to spend your income is a great way to improve your financial well-being. Instead of over-spending and maxing your credit card, you will know exactly how much money you can spend on certain expenses.
2. *Be financial prepared for emergencies.* If you don't already have an emergency fund, start building one as soon as possible. Having available funds when unexpected life events occur is crucial to ensure your bank account doesn't break each time an unforeseen cost arises. Finance experts recommend having at least three to six months' worth of expenses in an emergency fund.
3. *Have a plan for the future.* In addition to contributing to a savings account for unexpected expenses, it is also smart to have a savings account for large purchases you are prepared for. Map out a plan to help you save for the costs of higher education, family vacations, retirement or even a new car.
4. *Check your credit.* Keeping track of your credit score is another key part in maintaining or enhancing your financial wellness. Late payments and debt can negatively impact your credit score. Check out [AnnualCreditReport.com](https://www.annualcreditreport.com) to get your free annual credit report.
5. *Be cautious of scams and frauds.* As scammers become more sophisticated, we have to become more cautious. Look out for any suspicious content in physical letters, emails and phone calls. Do not send money to an unknown source you cannot verify.

It is important to know how to manage your finances. Being smart with your money, and following these tips, can help you improve your financial wellness.

[Check Your Credit Score](#)