

Are You Prepared for the Unexpected?

Life has a way of throwing curveballs. Unexpected hardships like medical expenses, car or home repairs, or job loss can put a real strain on your budget.

According to a recent survey conducted by the Pew Charitable Trust, 60% of Americans suffered some sort of financial shock in the last year, with a median cost of \$2,000¹. Are you prepared to absorb an emergency expense like that?

Emergency funds are an important part of any investment plan. Most experts recommend maintaining enough to cover at least six months of expenses. Consider the stability of your income as well as your debts and other expenses as you decide how much is best for you.

When the unexpected occurs, you'll need quick and easy access to your money. Savings and money market accounts are well suited for emergency funds. They may not offer high returns, but that's not your goal; liquidity and stability are.

Saving for a rainy day may sound difficult, especially given the other financial priorities in your life. Take a methodical approach by directly depositing money from each paycheck into your emergency fund. Make it a habit and build your savings over time.

Your emergency fund will play a major role in your financial health. It can go a long way toward helping you avoid debt and preserve your wealth should calamity strike. And once you've built an adequate cushion, you can then focus on other important goals, such as reducing debt and investing for retirement.

For assistance with establishing and funding your emergency fund, contact your financial advisor today.

Article provided by [Name], [Title] with Stifel, Nicolaus & Company, Incorporated, member SIPC and New York Stock Exchange, who can be contacted in the [City] office at [Number].

¹Source: The Pew Charitable Trust: The Role of Emergency Savings in Family Financial Security. October 2015.