



## Common Money Mistakes (and how to avoid them)

### ➤ **No Budget or Spending Plan**

- **Mistake:** Not tracking where money goes.
- **Fix:** Use apps (e.g., Mint, YNAB) or spreadsheets to track income/expenses for one month, then set a budget.

### ➤ **Neglecting an Emergency Fund**

- **Mistake:** Having no cash reserves for unexpected costs, leading to debt.
- **Fix:** Start saving small, aiming for 3-6 months of living expenses.

### ➤ **Ignoring Retirement Savings**

- **Mistake:** Waiting too long to invest, missing out on compound growth.
- **Fix:** Treat savings as a fixed expense and contribute immediately, ideally through employer-sponsored plans.

### ➤ **Overspending & Lifestyle Creep**

- **Mistake:** Increasing spending when income increases.
- **Fix:** Follow the "wait 24 hours" rule for non-essential purchases to avoid impulse buys.

### ➤ **High-Interest Debt Management**

- **Mistake:** Making only minimum payments on credit cards.
- **Fix:** Pay off high-interest debt first and avoid using credit for consumable items.

### ➤ **No Clear Financial Goals**

- **Mistake:** Saving without a purpose.
- **Fix:** Define short-term (e.g., vacation) and long-term (e.g., retirement) goals to stay motivated.