

5 Ways to Boost Your Financial Health Amidst COVID-19

Financial decisions can feel complex and hard even under normal circumstances. If the current market volatility has you questioning what are the “right” actions you should take now, you are not alone. Here are five concrete ways for you to jumpstart your financial wellness in the wake of the novel coronavirus.

Don't touch your face or your 401k

Time for some facts. Markets fluctuate over time, and returns often come with risks. While COVID-19 is certainly adding unprecedented volatility to the stock market, it is critical to take a long-term view when it comes to investing.

Chances are that when you set up your 401k or IRA you picked a diverse asset portfolio, and selected a monthly contribution that you were comfortable with. Trust that you picked the right option, and stay the course. When considering your retirement, the strategy you had in place in February should be your continued strategy for the months ahead. Take a deep breath and trust that the market will bounce back.

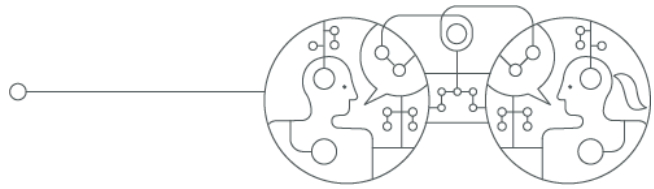
When it comes to investing in your retirement, the best thing to do is invest regularly and aim to have a monthly contribution of 10-15% of your total income.

Have more questions about saving for retirement, and finding a plan that's right for you? Check out our digital financial resources. [[DEEP LINK TO 401K MODULE/RETIREMENT PLAYLIST](#)]

Build Emergency Savings

Unexpected moments like these are precisely why an emergency fund of 3-6 months take-home pay is so critical. If you have an emergency fund to tap into, great job! If you are among the 40% of Americans who would find an unexpected \$400 expense challenging to pay, know that you are not alone, and there is always time to build your savings.

To start, dive into your finances from the previous month. Take a hard look at non-essential spending. Eliminating even small expenses, especially monthly membership fees, can quickly add up over time. After you have cancelled or paused any non-essential recurring payments, create a budget tracker to identify where and how you spent your money. How much were you spending on dining out? Ridesharing? Online shopping? Once you have that breakdown, you can more accurately set goals around what you need to start, stop, and continue doing in order to build your emergency savings.



If you're new to the world of budgeting, the 50 / 30 / 20 rule is a great place to start. Set a goal of how much money you want to contribute to your emergency savings each month, and don't forget to celebrate when you meet (or exceed!) your goal.

For additional help with how to approach emergency savings, explore our online resources. [[DEEP LINK TO EMERGENCY SAVINGS MODULE](#)]

Refinance a Loan

March 2020 marked a period of extreme market volatility, to say the least. To stabilize and protect the economy, the Federal Reserve slashed interest rates to record lows. These decade-low interest rates could save you money if you choose to refinance your mortgage, private student loans, or other debts. Keep in mind that federal and private student loans are different, and you could be losing benefits by adjusting your federal loan.

Traditional advice is to refinance when rates are 1-2% below your current rate. Make sure to keep an eye on your closing costs, so you make a decision that takes all costs into consideration.

Time Your Taxes

For any procrastinators that have put off doing their taxes, good news - U.S. taxpayers have a three-month extension on the deadline to file their federal tax return due to the novel coronavirus pandemic. Tax Day has been pushed from April 15th to July 15th, 2020. Most states have matched the July 15th deadline, but [check here](#) to determine your state's filing deadline.

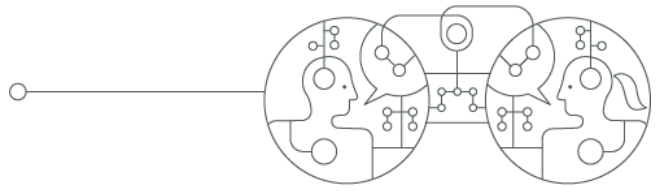
If you are among the many Americans who typically receive a tax refund -- that is, you paid more taxes to your state or federal government (through payroll withholding, for example) than your actual tax liability, the Internal Revenue Service (IRS) is advising that you file your taxes earlier so that you can get your money sooner.

Click here to learn more about taxes with this short, interactive overview. [[DEEP LINK TO TAX MODULE](#)]

Make a Plan and Regain Control

You can only control what you can control. The good news is that your financial decisions and behaviors are 100% under your control.

Use this time at home to reset any riskier financial behaviors. This is a great time to start building healthy financial habits, while the lure of expensive purchases like events, sporting games, travel, fancy restaurants, etc. are off the table. Find your money zen - what spending habits make you happy? What do you spend money on that you have no memory of a month later? Which purchases sit on a shelf collecting dust or cluttering your space?



Take the time to build a budget and stick to it. Set up regular monthly investments. Build your emergency savings fund. Use this time as a bootcamp to become a top-notch steward of your financial present and future. You've got this.

To continue upskilling your financial capability, visit our financial knowledge center, **[PROGRAM NAME]** for our full suite of educational content. **[DEEP LINK TO PROGRAM PAGE]**

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