



T.RowePrice

Achieving financial wellness

# Emergency Savings

For life's little emergencies



## (Uh-oh)

Sometimes life throws us a curveball. And when it does, having an emergency fund can mean the difference between a financial emergency and a serious setback. It's one of the fundamentals of a financial wellness strategy.

## How much?

Starting out, you should aim to establish an emergency fund of between \$1,000 to \$5,000.

\$5,000

\$1,000



## Patience pays

Building an emergency fund can take time, so be patient. You may want to establish a realistic time frame to achieve your emergency fund goal.



## Have it when you need it

An emergency fund won't be much help if you can't get to it right away. An **interest-bearing checking or savings account** may be a good place to deposit your funds. Remember, it's an emergency fund, not a long-term investment.



## Looking ahead

Once you've established a basic emergency fund, you can aim a little higher. A useful benchmark is to have emergency savings sufficient to cover **three to six months of expenses**. Creating a household budget will suggest your target amount. Keep that goal in mind and move forward at your own pace.

3 to 6 months



You'll find a wealth of tools and resources for building financial health at [rps.troweprice.com](https://rps.troweprice.com). From the homepage, click the Financial Wellness tab.

T. Rowe Price Retirement Plan Services, Inc.