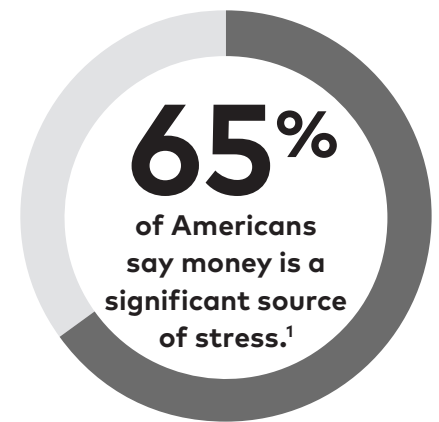


Vanguard's guide to financial wellness

Emergency savings

Financial wellness means you're able to meet your current and near-term financial obligations and be on track to meet future goals. By improving your financial situation, you can make an impact not only on your financial well-being, but also in your personal life and at work.

People who report not having emergency savings are more likely to overdraw their checking accounts, rely on high-cost loans, and withdraw from their retirement accounts.¹



	How much do I need to save?	Where should I keep these savings?
Spending protection	At least \$2,000 or half a month of expenses, whichever is greater	Checking or savings accounts or money market funds for quick access
Income protection	Generally, three to six months of expenses	Taxable account or a Roth IRA, as contributions can be withdrawn tax-free ²

Source: Vanguard.

Emergency savings provides you with a cushion to help lessen potential impacts to your budget, financial plans, and goals.



Build your emergency savings. Get started at vanguard.com/emergencysavings.

Whenever you invest, there's a chance you could lose the money.

1 American Psychological Association, 2022. *Stress in America: Money, Inflation, War Pile on to Nation Stuck in COVID-19 Survival Mode*; available at [apa.org/news/press/releases/stress/2022/march-2022-survival-mode](https://www.apa.org/news/press/releases/stress/2022/march-2022-survival-mode).

2 Withdrawals from a Roth IRA are tax-free if you are over age 59½ and have held the account for at least five years; withdrawals of earnings taken prior to age 59½ or five years may be subject to ordinary income tax or a 10% federal penalty tax, or both.

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