HOW TO BUILD A BUDGET THAT ALLOWS YOU TO ACHIEVE YOUR LONG-TERM OBJECTIVES?

Financial Advice 101

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LAYING OUT A FINANCIAL PLAN WILL HELP YOU REACH YOUR LONG-TERM GOALS AND GIVE YOU FOCUS FOR YOUR SHORT-TERM GOALS.

The financial plan varies depending on each person, according to their income profile, lifestyle and financial goals. Your financial advisor plays an important role in the design process of such a plan, as he can help consolidate it and guide you to start investing.

The goal is to design a financial plan that allows you to positively manage your money and gives you the opportunity to earn financially.

How do you begin to develop a financial plan and how do you maintain it in the long term?

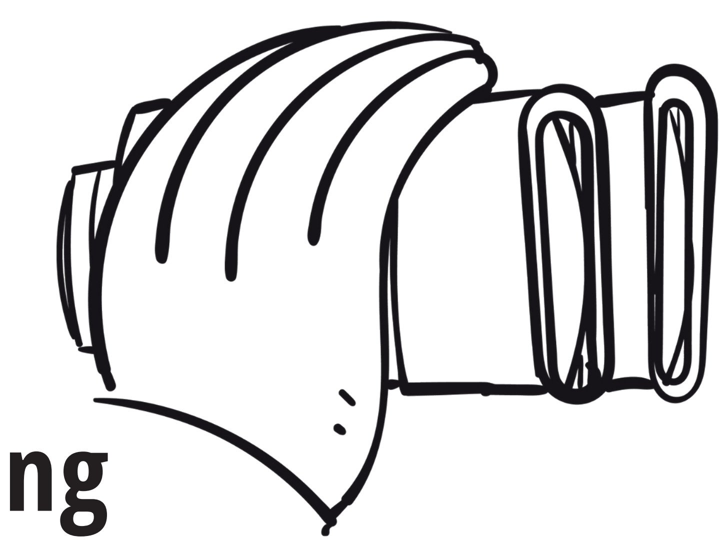
It's important to design a financial plan that fits your lifestyle, values, and goals.

A SUCCESFUL BUDGET

A budget is your best tool for taking control of your finances. It's the key to helping you change your financial future. It allows you to track your spending and helps you measure whether or not you're meeting your financial goals.

Set Financial Goals

Define your long-term financial goals as specifically as possible, whether it's paying off your student loan or paying off your house, it's important to align your spending with your goals. While long-term goals are great for feeling good about your overall direction, they don't always help with day-to-day decisions. A powerful solution is to develop some short-term goals to go along with your long-term goals. For example, establish a weekly budget for food or entertainment and thus you will be able to measure the effectiveness of your budget.

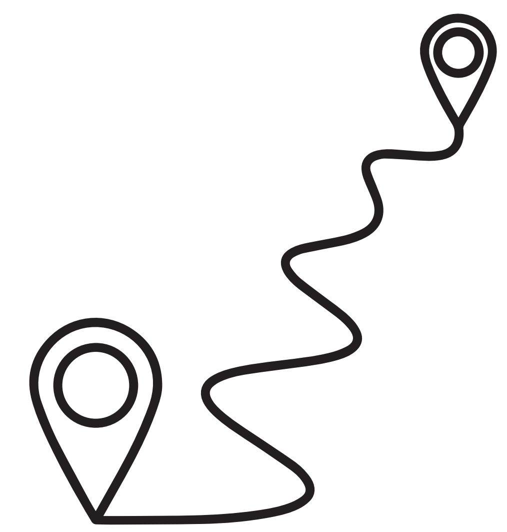


Budget Tracking

Now that you've figured out how much you spend, what your income is, and broken down into a budget plan that fits your situation specific, it's time to decide how you'll track everything each month. There are several applications that can help you in this task: Mint, Wallet, Quicken, among others.

Examine your lifestyle

Know your current financial situation and calculate your net worth. To do this, add up all the assets you have (available cash, stock values, home equity, savings and retirement accounts) and subtract from that amount any debt you owe. Now take a look at your monthly expenses and sort them into two main categories: necessities and flexible spending. This will allow you to get a view of your cash flow and start making any necessary adjustments.



How much do I need to live

The only way to reach your financial goals is to create a financial roadmap. And that means figuring out how much you need to live on, how much you need to invest to reach your goals, and how long you want to work on each goal. For this, it is important to start the process of validating expenses and really ask yourself if that product or experience generates value for you. Ideally, you should be able to reduce your monthly expenses so that you can designate 10 or 20 percent of your income for savings. Do not forget to include in this analysis those irregular expenses, such as home insurance, property taxes, car licenses, among others. We suggest you not to cut your expenses drastically but gradually, in this way you avoid the negative impact while you see the results. There are currently several types of budgets and spending plans that can guide you in your financial plan. It is recommended to try a couple of them for several months until you find the one that fits your monthly spending goal.

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BUILD YOUR FINANCE

Don't make the same mistake of others! Not having a financial plan could generate big losses of time and money. Creates a roadmap for your money will help you achieve your goals

Eliminate your debts

It's important to get out of debt you have, either by slashing your expenses or increasing your earnings so you can pay off debt more quickly.

FOCUS ON ONE DEBT: send additional money whether it's the lowest balance or the highest interest rate. When that debt is paid off, go to the next.

TRANSFER OLD DEBTS TO WITH ZERO INTEREST PROMOTION: in this way the debt is cushioned without paying interest, thus reducing cancellation times

Create an emergency fund

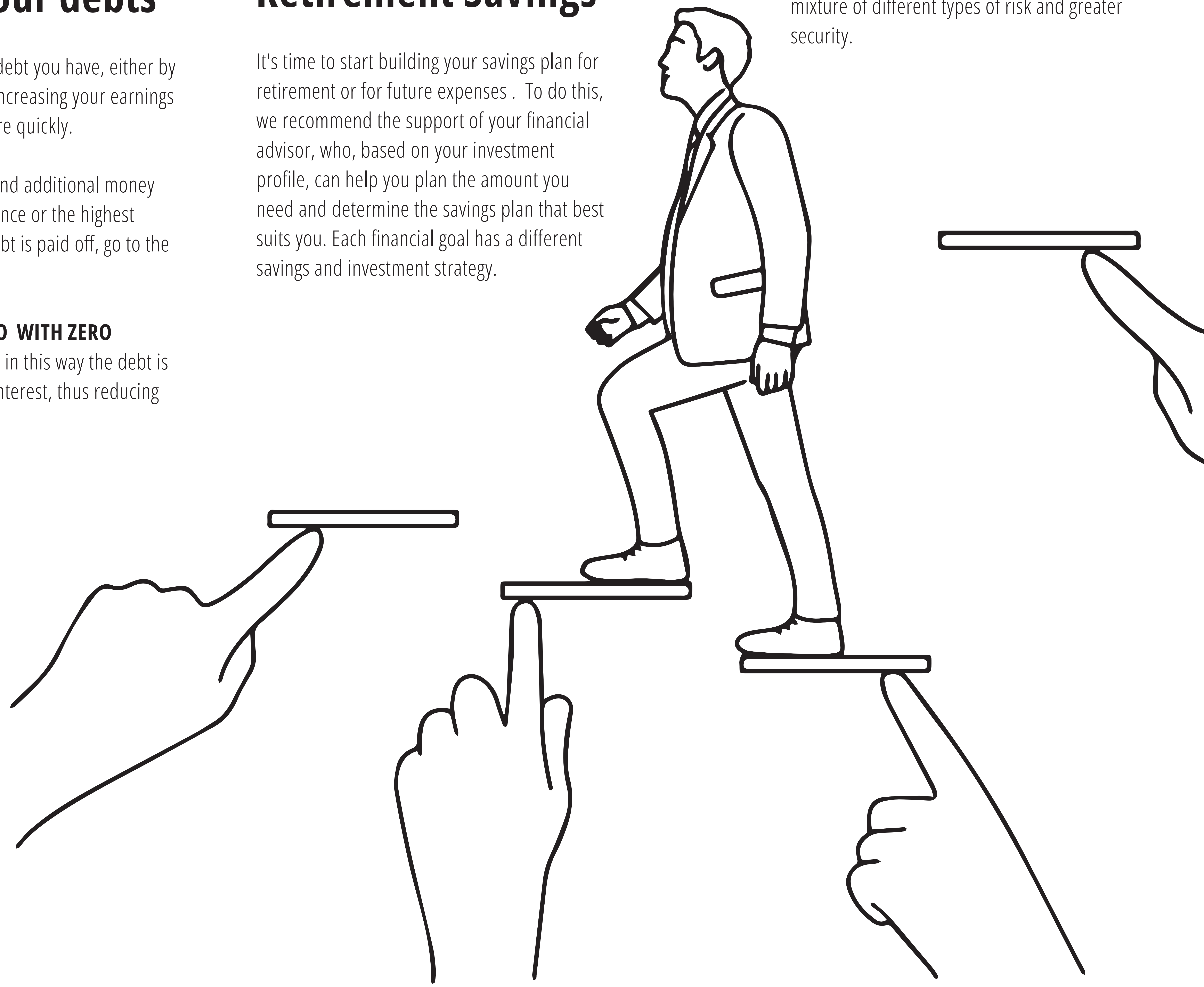
Once the debts are paid, an emergency fund of approximately 6 months of fixed expenses must be created. This emergency fund is set up to protect your retirement savings and investments. The objective of this is to be able to count on that money in case of any unexpected eventuality.

Retirement Savings

It's time to start building your savings plan for retirement or for future expenses . To do this, we recommend the support of your financial advisor, who, based on your investment profile, can help you plan the amount you need and determine the savings plan that best suits you. Each financial goal has a different savings and investment strategy.

Invest and Diversify

Once your retirement plan is covered, you can begin to expand your investment portfolio, guided by a financial advisor. It is important to diversify your investments taking into account your risk and return profile and periodically rebalancing your portfolio based on how your assets develop. Diversifying is a fundamental principle when it comes to reducing investment risk. It means placing money in different asset classes, which results in a mixture of different types of risk and greater security.



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