Building Blocks for Your Future: Learning to Invest in Your 30s

Welcome to your 30s! You'll be spending less money on fun and more money on necessities. You'll be spending less time with friends and more time at work. Your 30s are a time defined by one thing: change.

After the heydays of school, life tends to become increasingly more mundane – I mean complex. Really though, in your early 30s you'll likely take on more responsibilities and the accompanying financial obligations. Think about it. Marriages, new jobs, new(er) cars and loans, rent or mortgages, babies, maternity leaves, daycare costs, and vacations. The list goes on.

You have more to do, and more to pay for, and those competing financial priorities can be confusing. You no doubt have questions about your finances and how to optimize (or prioritize) your investments.

- *How do I pay down student debt while paying rent and saving for a home?*
- *Do I listen to my parents and drop money in a GIC at the end of the year or do I explore more complex investing?*
- *How much do I invest in retirement when I'm about to take a maternity leave?*
- *How do I balance my future needs and wants with my current mess of responsibilities?*

Most of us have a lot of questions at this Jenga-esque time of our lives. We want to stack our blocks higher and higher to reach our goals, but it often means moving things around. Whether those things are income, goals, investments, or expenses – it can be hard to know which block to move and when to move it to keep your money growing for future success.

My primary advice is this: trust your wealth advisor to help you strategize. Your parents may have guided you to this point, but its time to move onward and upward. A wealth advisor will help you do several important things as you navigate your changing life.

1. **Identify and assess your short and long term goals.**
   (How long do you want to drive your mom's 1999 Corolla? How much money do you need to live if you retire at the age of 60 like your dad did?)
2. **Calculate and assess your financial profile.**
   (What is your cash flow and what are your expenses? How will your cash flow and expenses change in the future? How much can you put away today to grow for tomorrow?)
3. **Evaluate your investment potential.**

(Can your savings add up to meet your goals? If not, what can you do to align the two? How can you stop banking on your parents' money to get you through?)

4. **Identify your risk tolerance and portfolio preferences.**

(You have a few years until you retire, so do you want to up the ante and be a bit more aggressive with your investing? You're in a growth stage now, but when are you moving into your preservation stage?)

5. **Figure out how to maximize government grants and options.**

(Are you investing in RESPs, RRSPs, TFSAs, RDSPs, or any other government-created acronyms? Did you know you can still invest on a limited budget?)

6. **Regularly assess your life and financial situation, your investments, and your goals to keep them aligned.**

(Where do you see yourself in 5 years? What does your perfect retirement day look like? What do you need to make it through today – can you picture living without that in the future?)

Remember that you may be a full-fledged “adult” in your 30s, but you don’t have to do it alone. You don’t need to bank on an inheritance to cover your debt or retirement either. Working with a wealth advisor helps you create a steady stack of blocks for your future, even when one or two shift. With some trusted advice, a solid plan and frequent monitoring and updating, you can win this game.

Meet with a PenFinancial advisor to answer your questions about investments and more. You have the power to control your financial future.