

## How financial planning can improve your mental health

According to the World Health Organization, more than half the world's population is made up of individuals in employment and 15 percent of working-age adults live with a mental disorder. Additionally, twelve billion working days are lost every year to depression and anxiety alone. One of the causes of depression and anxiety is stress caused by financial challenges.

As financial planners, we are strongly aware that issues that concern finances can be a key contributory factor to mental health. Orient Asset Managers, in partnership with other industry players, sponsored a mental wellness and counselling conference organised by Nation Media themed 'Promoting mental health at home and at work'. During the conference, it was disclosed that investing in mental health affects four percent of the Gross Domestic Product (GDP) and that one in every ten people suffers from a common mental health issue. It is therefore critical to ensure your mental wellness considering its effect on productivity and general well-being.

Getting your finances under control can be one of the best ways of improving your mental health. Here are a few tips on how you can manage your finances to boost your mental wellness;

### **Invest**

Money market funds are mutual funds that invest in short-term debt instruments. They provide the benefits of pooled investment, allowing investors to invest in a diverse and high-quality portfolio. Money market funds are managed within rigid and transparent guidelines to seek the preservation of capital, liquidity and competitive yields. However, it is important to ensure that you invest in a secure scheme to ensure the safety of your finances and the assurance of returns on what you have invested. Investing in our Kasha Money Market Fund will ensure that your money earns interest over time creating more wealth thus helping you boost your investment portfolio and journey.

### **Speak to a financial advisor**

An uncertain financial future is a key contributor to stress and anxiety. You need to plan well with the little funds that you have and seeking guidance and advice from a financial expert could save you from leading falling into poverty. At Orient Asset Managers, we boast of financial advisors who can analyse your finances and offer the best guidance on how and where to invest your money. We will be able to analyze and walk you through your investment journey tailored to suit your short and long-term goals.

### **Open an emergency fund**

No one plans or expects an emergency but they occur when we least expect. Being faced with a financial emergency at a time when you do not have any financial muscle to sort the issue out can lead to stress and even depression. An emergency fund is money that you set aside to use during unexpected life events. There will always be unexpected events creating a financial problem that result in you having to find money quickly to solve them. You can lose your job unexpectedly or have an urgent medical expense to take care of and therefore need to use the funds set aside for such unexpected events. It is therefore good financial practice to ensure you have an emergency fund in place to deal with such events. As a rough rule of thumb, your emergency fund should total three months of your net income.

Our financial managers can help you set up an emergency fund. You can begin with a low limit that you are comfortable with and increase it over time based on your goals.

### **Create a budget**

When it comes to personal finance, there are a number of negative outcomes that can come from operating without a budget. The most common consequences of not budgeting include a lack of savings, less financial security, out-of-control spending, a higher likelihood of going into debt and financial stress. In addition, when you live without a budget, it becomes more difficult to navigate unexpected expenses and achieve your financial goals.

When creating a budget, it is important to factor in your income and spending. You should also set realistic goals, plan ahead and be mindful of your spending. You can create a weekly, monthly or annual budget for the things you need or plan to do. It is important to ensure that you always stick to your budget. A good budget can help you save what you are not using and ensure you are disciplined in your spending.

### **Adopt a healthy lifestyle**

A healthy body will enable you to make sound decisions. This is especially important to avoid impulse purchases that are sometimes prompted as a result of being stressed thus wanting to make yourself feel better. You can stay healthy by ensuring you eat nutritious meals and exercise regularly. Additionally, ensure you maintain a good work-life balance to avoid burnout as this lifestyle changes greatly boost your mental health and wellness.

Financial challenges are sometimes unavoidable. However, financial planning is important in boosting your mental health as it helps reduce financial stress and secure your future. Reach out to us today for all your financial planning needs and we are ready to serve you.