

WORKSHEET #9: BUILDING YOUR ARSENAL— SETTING AN EMERGENCY SAVINGS GOAL

When it comes to your financial arsenal, typical wisdom says that your savings should equal at least three months' living expenses.

(You should aim for a minimum of six months' worth before you consider channeling any of your money elsewhere, such as any form of investment. More on these subjects can be found at ZombieEconomics.com.)

We'll keep this one simple.

1. FIRST

Go back to the absolute necessities as determined on page 34. Write the monthly average below.

Absolute Necessities Monthly Average: _____

2. NEXT

Below, calculate the *actual amount of savings you must have* to potentially cover one month of living expenses, or two, or three, etc. Simply multiply the absolute necessities figure above by X number of months. Put the result in the third column.

Absolute Necessities Monthly Avg. [From above]	x	Months of Savings	=	Amount You Need to Save
_____	x	1	=	_____
_____	x	2	=	_____
_____	x	3	=	_____
_____	x	4	=	_____
_____	x	5	=	_____
_____	x	6	=	_____
_____	x	7	=	_____
_____	x	8	=	_____

1S
R
1L

THE END

Select a goal. Write the amount of savings you need to meet that goal in the Key Survival Numbers in the back of the book.

Consider: If you lost your primary income source tomorrow, how long would it take you to find another one? How difficult is the job market? The more problems you anticipate, the more savings you want to have.



THINK OF YOUR EMERGENCY SAVINGS IN TERMS OF THE FIREPOWER IT GIVES YOU

1 month = Hammer

2 months = Hatchet

3 months = Pistol

4 months = Shotgun

5 months = Machine Gun

6 months = All of the above

1S
R
1L