

## 3 Smart Things You Can Do With \$1,000 Right Now

### Description

\$1,000 is just a figure. You can build up to that amount with however much money you end up saving in a month — with a bonus that you receive from your job, or any extra money that falls on your lap.

It's very easy to just spend money on things you want. However, do yourself a favour and make the harder decision: pay down your debt, build your emergency fund, or invest the amount to build your wealth.

### Pay down your debt

According to an article posted in May on the Bank of Canada website, mortgages make up nearly 75% of household debt. That leaves about 25% of other debt, which may include credit card debt, lines of credit, or student loans.

Generally, you want to first pay down the debt that charges you the most interest, so that in the long run, you pay the least interest and keep the most money in your pocket. That means you should pay down your credit card debt first.

The more debt you pay down now, the less you pay in interest, and the more money you keep in your pocket.



### Build your emergency fund

If you have extra money, you can increase your emergency fund right away. The emergency fund is for emergencies, such as a car break down, a leaking pipe in the home, or an event that makes it so that you can't work temporarily. So, the emergency fund should be separate from your vacation fund or fun money.

You can start building your emergency fund by saving, say, \$100 a month. That would accumulate to \$1,200 in a year. Most experts believe you should have enough money in your [emergency fund](#) to cover living expenses of at least three to six months.

## Invest the money

You can invest extra money in a business that pays you for being a shareholder. **Brookfield Infrastructure Partners L.P.** ([TSX:BIP.UN](#))([NYSE:BIP](#)) is a fantastic business to own for the long term. It has a portfolio of quality infrastructure assets, which are diverse by asset type and geography.

These essential assets to the economy generate stable and growing cash flows, which support a safe, growing cash distribution to Brookfield Infrastructure's shareholders over time. At about \$52.30 per share as of writing, Brookfield Infrastructure is reasonably priced and offers a distribution yield of about 4.7%.

Management aims to increase Brookfield Infrastructure's distribution per share by 5-9% per year going forward. Brookfield Infrastructure is an excellent business that will be a rewarding investment for many years to come. Consider buying the stock, especially on any further dips.

## Investor takeaway

If you get some extra money on your hands, consider paying down your debt, adding it to your emergency fund, or investing in [a great dividend-growth company](#). You'll thank yourself in the future.

## CATEGORY

1. Dividend Stocks
2. Investing
3. Stocks for Beginners

## TICKERS GLOBAL

1. NYSE:BIP (Brookfield Infrastructure Partners L.P.)
2. TSX:BIP.UN (Brookfield Infrastructure Partners L.P.)

## PARTNER-FEEDS

1. Msn
2. Newscred
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