



## The \$2,000 CRA CERB Just Won't Cut It

### Description

As far as emergency relief funds go, \$2,000 is a pretty decent amount. It can help people pay their rent and ensure that they have a roof over their heads. It can help put food on the table if you do not have another income source.

It's a decent amount of money, and it's mostly free (apart from the taxes), but the question is, is it really enough?

On its own, \$2,000 a month might not be enough to provide for an individual, and even more so, for a family. It's supposed to [supplement](#) whatever savings or minimal income you can scrounge up in these tough times, or help you make ends meet (barely) if you don't have any other income source. But if you are talking about maintaining even a modest lifestyle, then it's not enough.

There are a few things you can do to make your situation a bit better.

### Exercise financial discipline

It's one of the ever-present conundrums that by the time people realize that they have to exercise financial discipline to make ends meet, it's usually too late. But it's never too late to pick up some good financial habits – such as paying off your credit cards before too much interest accumulates, and they become debt choke holds for you. Or start preparing your food at home.

Another thing you can do is minimize your utility bills. Cut cable, cut off any additional spending, club memberships, and other similar lifestyle expenses, and learn to live a minimalist lifestyle.

If you desperately need to buy something, go for used items first. Take advantage of as many coupons and discounts you can lay your hands on.

If you don't have a job and you are looking for one, don't waste the rest of your time. Cultivating a new skill set might be too ambitious a use of your time, but you can take small part-time jobs and gigs to generate some extra cash.

Minimize your fuel expense as much as you can. Once you start living a frugal lifestyle, you will understand that every penny helps.

## Invest

Not using your \$2,000, but saving and investing is something you should have started ages ago, ideally from the first time you started earning an income. It's a common misconception that you need a huge amount of cash to invest.

The fact is, though, that if you can save and invest just \$200 a month, you can build yourself a decent safety net that may catch you in economically harsh times like the one people are going through right now.

Even if you [play it safe](#) and invest in a stock like **Metro**, the \$14.4 billion (market-cap) supermarket chain, your returns can still be adequate. Metro is a long-standing Dividend Aristocrat with a stellar history of increasing its payouts for 25 consecutive years.

Additionally, its core businesses are food and medicine, two things everyone needs, no matter the financial situation.

Apart from being one of Canada's largest grocers (with 950 food stores under its banner), it also has a massive network of drugstores under different subsidiaries. The company grew its market value by 75% in the past five years.

At this growth rate (12% CAGR), if you invest \$200 a month in Metro or another stock with similar returns, you can be sitting on about \$340,000 in 25 years. Only 18% of which will be your capital.

## Foolish takeaway

When it comes to investment, time is just as precious as the dollar amount you have to invest in. Starting early with small amounts can turn out better than waiting for your income to reach a level where you can invest substantial amounts.

From this market crash, you should learn the importance of financial independence, investing, saving, and cultivating multiple income sources (no matter how small).

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