

Five Tips To Help Your Child Become Financially Smart

Financial independence begins with financial discipline that you can inculcate in your child from an early age.

Here are some simple tips you can use to make your child financially smart.

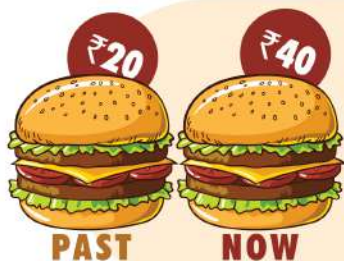


Play games that encourage financial thinking

What better way of imparting money lessons to your kid than through games. Good old board games like monopoly and variations of the same for younger kids stimulate financial thinking in children. What's more, you get to spend quality time with them!

Use apps to teach the basics of financial discipline

Not all exposure to technology is bad! If you find your kids using smart devices deftly, introduce them to simple financial apps that can teach them the basics of budgeting and tracking expenses that can help them build good financial habits.



Introduce inflation to them

Educate your kids about the value of money, both current as well as future. Make them understand that their favorite toys or clothes that cost Rs 500 today are most likely to cost more after a few years because of inflation.

Be honest with them

If you can't buy them what they want because your budget is tight, tell them the truth. Don't give them unreasonable or false reasons. Honesty, in such cases, is likely to make them cautious rather than cranky or sad.



Understand their needs before imparting money lessons to them

Your kids will start taking interest in money talks if it revolves around their desires. From buying a chocolate to owning a PS4, their dreams can be many. Understand their goals and help them get what they want through good financial habits such as cautious spending, regular saving, etc.