MONEYWISE GUIDES · SAVING

The Emergency Fund Blueprint

How much, where to keep it, and how to build it without feeling the pinch.

moneywise.co.ke, Africa's financial confidence ecosystem

The fund that buys you sleep

An emergency fund isn't an investment. Its job isn't growth, it's peace.

It's the difference between an emergency being a bad week and a debt spiral. Between taking the first job and choosing the right one. Between panic and a plan.

Four pages from now you'll know exactly how to build yours.

Your number

Essential monthly expenses × the right multiplier:

- Stable salary: 3 months
- Mixed income: 6 months
- Hustle or freelance: 9 months

'Essential' means survival mode: rent, food, transport, school fees, family support. Not lifestyle mode.

Calculate yours precisely at moneywise.co.ke/tools/emergency-fund.

Where it lives

The fund needs to be close enough to reach in days, far enough to survive temptation:

- 80-90% in a money market fund, earning real returns, withdrawable in 2-4 days.
- 10-20% in a mobile-money savings vault, same-day access for true emergencies.
- 0% in your everyday account, it will quietly become airtime and weekend plans.
- 0% in shares or land, emergencies don't wait for the right price.

Building it painlessly

1. Automate a fixed amount the day money arrives, what you don't see, you don't spend.
2. Bank every windfall: bonuses, refunds, side-hustle spikes. Pretend they never happened.
3. Sell something. Most homes hold a month of expenses in unused things.
4. Direct one expense you cut (one subscription, one habit) straight into the fund.

Speed matters less than direction.

The rules of use

Touch it only for true emergencies: medical, job loss, urgent family crisis, critical repairs.

Not emergencies: sales, weddings, holidays, 'opportunities'. An opportunity that requires your safety net is a risk you can't afford yet.

After every use: pause investing if needed and refill the fund first. The net goes back up before the acrobatics resume.