**Tyler Schiro Ratio Analysis**

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**Liquidity Ratio = Monetary assets / monthly expenses**  
·      1,055 / 1,030 = 1.02  
  
·      Liquidity ratio shows the speed and ease at which an asset can be converted to cash.  
  
·      My ratio, 1.02 is low; the number shows that I could probably support my expenses for only one month without any new assets.

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**Asset to debt ratio = total assets / total debt**  
·      3,155 / 20,000 =.15  
  
·      Asset to debt ratio compares total assets to total liabilities.  
  
·      My ratio .15 shows that I have insufficient assets to cover my debts.

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**Debt service to income ratio = annual debt payments / gross income**  
·      0 / 6,000= 0  
  
·      This ratio provides a view of your debt burden by comparing money spent on debt repayments with your annual income.   
  
·      The desired ratio is .36 or less. My ratio is 0 meaning I have not attempted to pay back any debts that I have being that they do not start accruing until my graduation date of December 2013. This does show me that I need to put a large portion of my income to paying off those debts in order to keep my finances healthy.

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**Debt payments to disposable income ratio = monthly nonmortgage debt payments / monthly disposable income**  
·      0 / (1400) = 0%  
  
      This ratio shows if you are at a good position to pay your debts.  
  
·      Again, I am in no position being that I have not started repaying my debts until I graduate in December 2013. This does alert me that I should put as much money toward repaying my debts so that I can continue to pay my debts if things became tight financially.

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**Investment assets to total assets ratio = investment assets / total assets**  
·      2,100 / 3,155 = .66 %   
  
·      This ratio measures an individual’s tendency to save or spend and gives them an outlook on   
  
·      My ratio of .66% is terrible but as I get older I will definitely be aware to raise that number as high as it can in order to reach my goals of financial freedom.

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