

FREE GUIDE FOR NEWCOMERS TO CANADA

The First 90 Days

Building Your Canadian Financial Foundation

The complete roadmap nobody gives you — banking, credit, and your first investment accounts — all in the right order.

— Sandeep

Arrived from India · 2018 · BuildCreditCanada.ca

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01 / YOUR STARTING POINT

What 2026 newcomers actually face

I moved from India to Canada in 2018, ready to build something real. What I didn't understand was how the Canadian credit system works — and nobody thought to tell me. I got rejected twice because I didn't know a secured credit card existed. This guide started as the resource I wish someone had handed me on day one.

That was 2018. Something has changed since then.

Today, Canada's major banks actively compete for newcomers. RBC, TD, Scotiabank, CIBC, and BMO all have dedicated newcomer packages that hand you an unsecured credit card — up to a \$15,000 limit, no Canadian credit history required — in your first week. The card that was hard to find in 2018 is now offered to you at the branch counter.

So getting a card is no longer the hard part. What nobody still tells you is what to do with it. How to use it strategically. When to open your TFSA. Why the FHSA needs to be opened in year one even if you're not thinking about buying a home yet. How to build from zero to 720+ in 12 months — and what 720+ actually unlocks.

That's what this guide is actually about.

300K+ Newcomers arrive in Ontario yearly	\$0 Canadian credit score on arrival	12 mo Average time to build to 720+	720 Target score for best mortgage rates
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02 / FOUNDATIONS

The truth about Canadian credit

Before the steps, here are the five things I wish I had known on day one.

Your foreign credit history means nothing here

Canada's credit bureaus — Equifax Canada and TransUnion Canada — only collect information about financial activity in Canada. Even if you had perfect credit in India, the UK, Nigeria or anywhere else, you arrive here with a blank slate. This isn't personal. It's the same for everyone. (Exception: see the Nova Credit note in Section 04.)

Your score is built from five factors

Payment history (35%) — always pay on time, every time.
Credit utilization (30%) — keep your balance below 30%, ideally under 10%.
Length of credit history (15%) — the longer you hold a card open, the better.
Credit mix (10%) — having different types of credit helps over time.
New inquiries (10%) — every application is a hard inquiry. Apply once, choose well.

Hard inquiries vs soft inquiries

A hard inquiry happens when you formally apply for credit — it temporarily lowers your score. A soft inquiry (like checking your own score on Borrowell) does not affect your score at all. This is why you choose one card and apply once.

It takes 6–12 months — and that's completely normal

Most newcomers reach 650+ within 6 months of consistent behaviour. Getting to 720+ typically takes 10–14 months. The system just needs time to see your pattern of responsible behaviour. This timeline is the same for everyone — you cannot shortcut it, only protect it.

The SIN that starts with 9

If you arrived on a work permit or study permit, your Social Insurance Number begins with 9. Some financial institutions flag this differently in their systems — not because it disqualifies you, but because they treat temporary status holders differently for certain products. Knowing this in advance means you won't be surprised if a process takes slightly longer or requires additional documentation.

03 / WEEK 1

Open the right bank account

Your first instinct will be to walk into the nearest Big Five branch. Here's the honest answer: you can do that, but read the fee structure before you sign anything. Many newcomers get a free first year on the banking account and then quietly start paying \$15–\$30/month afterward without realising it.

What we recommend

EQ Bank or Tangerine for day-to-day banking. No monthly fees. No minimum balance requirement. EQ Bank has one of the best savings rates in Canada — your emergency fund actually grows while it sits there. Tangerine (owned by Scotiabank) has free unlimited transactions and works seamlessly for everyday spending.

If you want everything under one roof — banking and credit card — a Big Five newcomer program is a valid choice. Just read the fee schedule carefully before you commit, and know when the free period ends.

What to bring to open your account

- Your passport (primary ID)
- Your PR card, work permit, or study permit
- Your Social Insurance Number (SIN) — apply at Service Canada first if you don't have one
- Proof of Canadian address (lease agreement, utility bill, or a welcome letter from the bank)

04 / WEEK 2

The card decision tree

This is the single most important step in the guide — and it now has two paths depending on your situation. Read both before you decide.

✓ Path A — Newcomer Bank Program

You qualify if:

- Arrived in Canada within the last 5 years
- Hold a PR card, work permit (12+ months), or student visa
- Have valid immigration documentation

Best options:

- Scotiabank StartRight — best overall newcomer package
- CIBC Smart Account — longest fee waiver (24 months)
- BMO NewStart — highest total value up to \$2,400
- TD New to Canada — strong Amazon and Aeroplan options
- RBC Newcomer Advantage — 12% intro cash back (3 months)

Compare all five side-by-side at buildcreditcanada.ca/compare — direct, affiliate-free links to each issuer.

🔒 Path B — Secured Card

Use this if:

- Been in Canada 5+ years without building credit
- Temporary status that doesn't qualify for bank programs
- Prefer a simpler, lower-risk starting point

Best options:

- Neo Financial — \$50 deposit, instant approval, 5% cash back
- Koho + Credit Building — zero deposit, \$7/mo add-on
- Home Trust Secured Visa — lowest rate (14.90%) for balance carriers
- Capital One Guaranteed MC — truly no credit check

Apply to ONE card only. Each application is a hard inquiry. Pick your path, apply once.

🌐 Nova Credit — use your home-country credit history

If you arrived from India, Mexico, Australia, the UK, Brazil, Dominican Republic, Kenya, Nigeria, Philippines, South Korea, or Spain, some Canadian lenders — including Scotiabank — now accept your international credit history through a service called Nova Credit. This means you may qualify for stronger products on day one. Ask your bank specifically about Nova Credit when you apply.

🔒 The one rule that changes everything

Apply to ONE card only. Each application is a hard inquiry. Multiple hard inquiries in a short period tells lenders you are desperate for credit and will hurt your score before it has even started. Choose your path, choose your card, apply once.

You have your bank account. You have your card. Now do these four things and let the system run itself.

1. Set up automatic full-statement payment

Log into your bank account and set up an automatic payment from your chequing account to your credit card — set to pay the full statement balance every month, not just the minimum. This one setup prevents you from ever paying interest and ensures you never miss a payment. Payment history is 35% of your score.

2. Keep utilization under 10% — and pay before the statement date

If your limit is \$500, never carry more than \$50 before your statement closes. Here's the trick almost nobody explains: your card reports your balance to the bureaus on your statement closing date, not your payment due date. If you pay your balance down before the statement closes, the bureaus see a low utilization number — and your score benefits. Paying on the due date is good for avoiding interest. Paying before the statement date is what actually moves your score.

3. Get a postpaid cell plan

Switch from prepaid to a postpaid plan with a major carrier (Koodo, Fido, or Public Mobile are significantly cheaper than Bell, Rogers, or Telus directly). A postpaid plan signals financial stability and in some cases contributes to your credit profile. It also saves most newcomers \$30–\$60/month compared to going directly to the big three carriers.

4. Do not apply for anything else this month

No store cards. No car financing. No new bank accounts that require a credit check. Let your card build history quietly. The urge to accelerate by adding more cards is real — resist it completely in month one.

Under 10% Excellent — strong score boost	10%–30% Good — maintain here	Above 30% Danger — actively hurts your score
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06 / MONTH 2

Monitor and understand your score

By month two your card issuer will have reported your first payment to the bureaus. This is when you can see your score for the first time — and start understanding what's driving it.

✓ Use Borrowell — it's free and it's a soft pull

Borrowell (borrowell.com) gives you free weekly credit score updates from Equifax without affecting your score at all. Sign up, connect your information, and start tracking weekly. Your first score might feel low — that's completely normal.

Credit score myths to ignore

- Checking your own score hurts it. FALSE — Borrowell uses a soft pull. Check it weekly.
- Your spouse's credit affects yours. FALSE — credit files are individual in Canada.
- Paying the minimum is fine as long as you pay on time. TRUE for avoiding late fees, but FALSE for utilization. Pay in full.
- More cards = higher score. FALSE in the short term. One card used well beats three cards used carelessly.

What your first score actually means

Score	Timeline	What it means
560–600	Month 2–3	File established. You exist in the credit system.
620–650	Month 4–6	Fair. Some unsecured cards become available.
660–700	Month 6–9	Good. Most unsecured products accessible.
720+	Month 10–14	Mortgage territory. Best rates open up.

07 / MONTH 3

Graduation and your first investment accounts

Ask for a credit limit increase

After 3–6 months of on-time payments, contact your card issuer and request a credit limit increase. If your limit goes from \$300 to \$600 and you keep spending the same amount, your utilization percentage drops in half — which directly boosts your score. Most issuers do this without a new hard inquiry.

Plan your graduation to an unsecured card

Once your score reaches 650+, you're eligible for unsecured cards — meaning you get your deposit back. The Tangerine Money-Back Credit Card is worth considering: no annual fee, 2% cash back in two categories of your choice, \$12,000 minimum income requirement. Keep your secured card open alongside it — the age of your oldest account matters for your score.

Keep your secured card open

When you graduate, don't cancel your secured card immediately. Set a small automatic charge on it — a streaming subscription works — and let it age in the background. Cancel only when you have other older accounts to replace it.

Your first investment accounts — open these early

Credit building and investing are not separate journeys. Month 3 is when you start both. Here's what you need to know about Canada's three core tax-sheltered accounts.

TFSA Tax-Free Savings Account Best for: Everyone — open this first Contribution room starts the year you become a Canadian resident. Not the year you open the account. Every year you delay costs you room you cannot recover.	FHSA First Home Savings Account Best for: Anyone who may buy a home — ever Open it in year one even with \$1. You get \$8,000/yr in contribution room (up to \$40,000 lifetime). If you never buy, transfer to RRSP tax-free. Nothing to lose.	RRSP Registered Retirement Savings Plan Best for: Earners above ~\$55K/yr Best when your contribution happens in a high-tax year and you withdraw in a low-tax year. If you earn under \$50K as a newcomer, prioritize TFSA first.
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The TFSA timing mistake that costs newcomers thousands

Your TFSA contribution room starts accumulating from the year you become a Canadian resident — not the year you open the account. If you arrived in 2023 and open your TFSA in 2026, you have three years of unused room waiting for you. But you need to open the account to start using it. Do this in Month 2 or 3 — even with \$1.

The FHSA argument — open it even if you're not sure about buying

The First Home Savings Account gives you \$8,000/year in contribution room (up to \$40,000 lifetime) to save toward a first home — contributions are tax-deductible and growth is tax-free. If you never buy a home, you transfer the balance to your RRSP tax-free. There is no downside to opening it in year one. The room you don't open is room you lose permanently.

Not sure whether to prioritize TFSA, RRSP, or FHSA for your specific income and timeline? The 7-question financial priority tool at buildcreditcanada.ca gives you a personalized action plan in about 2 minutes.

Renting, car insurance & the credit connections nobody explains

Renting with no credit file

In Toronto and Vancouver especially, landlords routinely run credit checks. A newcomer with no file can lose an apartment they want — not because they have bad credit, but because they have no file at all. A few things that help:

- Offer a larger deposit where legally permitted in your province
- Provide a letter from your employer confirming your income and employment status
- Ask a Canadian friend or colleague if they'd be willing to co-sign temporarily
- Landlord Credit Bureau (landlordcreditbureau.com) allows landlords to report on-time rent payments to Equifax — this can build your credit file through rent, which most people don't know is possible

Car insurance and your credit score in Ontario

In Ontario, auto insurers are permitted to use credit scores as a rating factor. A newcomer with no Canadian credit file may be classified as higher risk — and pay significantly higher premiums — not because they're a bad driver but simply because there's no data. Building credit faster has a direct dollar impact here that goes well beyond the mortgage goal. Get quotes from multiple providers and ask explicitly whether they use credit as a rating factor.

The postpaid plan saves you twice

Getting a postpaid cell plan with Koodo, Fido, or Public Mobile saves most newcomers \$30–\$60/month compared to the big three carriers — and the monthly payment history can support your credit profile over time. Two wins from one decision.

09 / COMMON MISTAKES

The mistakes people still make in 2026

The store-card rejection and the pre-approval envelope are mostly 2018 problems. Here are the mistakes that are costing newcomers today.

1. Applying for multiple cards in the same month

The bank newcomer programs are openly marketed. Some newcomers apply to two or three in one week to see who approves them fastest. Each is a hard inquiry. Multiple hard inquiries in a short window signal financial instability and suppress your score at exactly the moment you're trying to build it.

2. Paying on the due date instead of before the statement date

Paying on time is essential. But if you want utilization to work in your favour, you need to pay before your statement closes — not just before your payment is due. These are different dates. Check your card's statement closing date and make a habit of paying it down a few days before.

3. Closing their first card too soon

Once they graduate to an unsecured card, many newcomers cancel their secured card to get the deposit back. This is understandable — but it removes your oldest account from your file, which shortens your average credit age and can drop your score noticeably. Keep it open with a small recurring charge until you have other accounts that are equally old.

4. Not opening a TFSA in year one

The contribution room accumulates whether you open the account or not. But you can only use the room once the account is open. Every year you delay is a year of room that sits unclaimed. Open it in month two or three with whatever you can — even \$100.

5. Missing the FHSA entirely

The FHSA is one of the most valuable accounts the Canadian government has ever created — and it's almost completely unknown among newcomers who arrived recently. If there's any chance you'll buy a home in the next 15 years, open one in year one. The lifetime contribution room is \$40,000. You cannot go back and claim the years you missed.

6. Not monitoring their score

Flying blind for the first year is surprisingly common. Borrowell is free, takes five minutes to set up, and gives you weekly updates from Equifax. There's no reason not to know your number — and catching a bureau error early can save months of score recovery.

10 / THE EMOTIONAL REALITY

What nobody tells you about the first 90 days

The financial stress of the first 90 days in Canada is real. You're converting prices in your head constantly, wondering whether your savings are enough, and comparing yourself to people who've been here for years. That comparison is unfair to you — they had years to figure this out. You're doing it in 90 days with a guide.

Here's the reframe that helped me: the 12-month credit-building period is not a penalty. It's a buffer. You have 12 months to learn how the Canadian financial system works — its accounts, its tax shelters, its quirks — before the stakes get truly high. Use that time well and you'll arrive at month 14 with a 720+ score, a funded TFSA, an open FHSA, and a clear picture of where your money is going. That is a genuinely strong position.

The Canadian credit system is not designed to help newcomers. It's designed to serve people who already have credit. But once you understand the rules — and you now do — it's completely navigable. Every person on this site's tools page did exactly what you're doing right now. They just didn't always have the roadmap.

You arrived with zero. You won't stay there for long.

11 / VISUAL ROADMAP

Your 90-day financial roadmap

Every action, every milestone, every account — in the order that actually matters.

Timeline	Score Range	Key Actions	What Unlocks
Day 1–7	—	Get SIN · Open EQ Bank / Tangerine account · Set up online banking	—
Week 2	File opens	Choose card path (A or B) · Apply to ONE card only · Activate card	Credit file created
Month 1	0 → 560	Automate full statement payment · Keep utilization under 10% · Pay before statement date · Postpaid cell plan	Score appears on Borrowell
Month 2	560–600	Check Borrowell (free) · Confirm bureau reporting · Open TFSA (even with \$1) · Open FHSA if homeownership is a future goal	TFSA & FHSA contribution room accumulating
Month 3	600–630	Request credit limit increase · Review Borrowell report for errors · Research graduation card	Utilization ratio improves automatically
Month 6	630–660	Graduate to unsecured card (keep secured open) · Start TFSA contributions · Review RRSP vs TFSA decision	Most unsecured cards accessible
Month 12	680–720	Apply for premium no-fee card · Maximize TFSA · Explore FHSA contributions · Use 7-question tool at buildcreditcanada.ca	Strong mortgage pre-approval range
Month 14+	720+	Best mortgage rates available · Optimize investment accounts · Asset location strategy	Best rates — all financial products open

For a personalized version based on your income, timeline, and goals, use the 7-question tool at buildcreditcanada.ca

12 / ACTION PLAN

Your 90-day checklist

Print this page. Check things off. The order matters.

Week 1 — Foundation

- Apply for your SIN (Social Insurance Number) at Service Canada
- Open an EQ Bank or Tangerine account — no fees, no minimum balance
- Set up online banking and e-Transfers
- Confirm whether your SIN starts with 9 and flag it with your bank if needed

Week 2 — Your Card

- Decide your path — Path A (newcomer bank program) or Path B (secured card)
- Check your eligibility for Nova Credit if you're from a supported country
- Compare cards at buildcreditcanada.ca/compare
- Apply to ONE card only — no more
- Receive and activate your card

Month 1 — Automate & Protect

- Set up automatic FULL statement payment from your bank account
- Make one small purchase per week on your card
- Pay your balance before your statement closing date
- Keep balance below 10% of your credit limit at all times
- Switch to a postpaid cell plan (Koodo, Fido, or Public Mobile)
- Do not apply for any other credit product this month

Month 2 — Monitor & Start Investing

- Sign up for Borrowell (free) and check your score
- Confirm your card is reporting to Equifax and/or TransUnion
- Open a TFSA — even with \$1 — to start accumulating contribution room
- Open an FHSA if homeownership is a possibility in your future
- Continue paying in full automatically every month

Month 3 — Build & Optimize

- Request a credit limit increase from your card issuer
- Review your Borrowell report for any errors and dispute if needed
- Research the Tangerine Money-Back Card for when you hit 650+
- Use the 7-question tool at buildcreditcanada.ca to build your investment priority ladder
- Review your TFSA room and make a contribution plan
- Celebrate — you are genuinely on your way

Good luck. You've got this.

— Sandeep

BuildCreditCanada.ca

Free guides, tools, and card comparisons for newcomers to Canada.

Not financial advice. For informational purposes only. Card terms, fees, and rates subject to change. Always verify with the issuer.