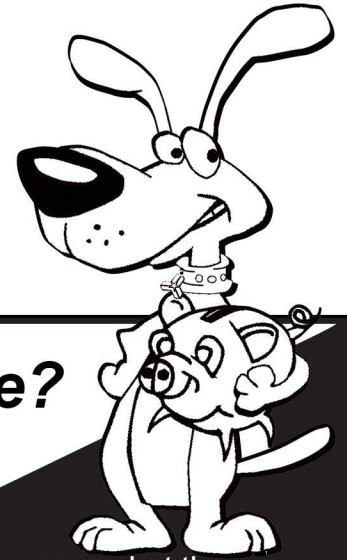


# THE ECONOMY



## How Can We Save?

Saving is necessary but not easy. Humans are visual creatures, and they tend to crave what they see. Applying restraint to the desires of the self is the very heart of saving. For some this restraint comes naturally, for others not so much. **There are two common difficulties with saving: the first is follow through, and the second is approach.**

**Follow-through** is a personal thing; it results from an absence of willpower or accountability; consequently, it can only be remedied by individual action. The Nike slogan "Just Do It" is appropriate here. Texas Bank and Trust would, however, like to offer encouragement for those who want to make a habit out of saving, as well as provide products and services to aid with financial savings.

**Approach** is a matter of knowledge. It is common to believe that saving can happen only when resources exceed consumption—when a person receives a pay increase at work, for example. But it is generally not that easy. There is a tendency for consumption to increase as more resources become available. Combating this tendency requires a change of approach. The advice to "live within your means" is a good rule of thumb. The possible issue with this approach is that it maintains the focus on means, or resources.

A better approach would be: satisfy your needs while minimizing your wants. All consumption falls within a continuum between needs and wants. Needs are critical. Wants may be important but are not critical. A good first step to begin saving is to become aware of which things fall under needs and which under wants.

### Definition:

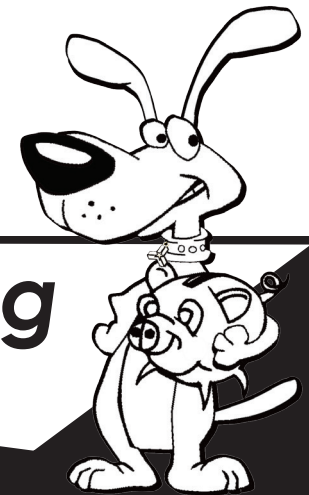
**Save:** Keep and store up (something, especially money) for future use.

### Suggestions:

1. Speak with your child about how they can save money. Is it through allowances, birthday money, or doing jobs for family members?
2. Ask your child why they would want to save money. Is it for a nice toy like a new bike or tablet, or maybe they want to save up for a car when they are old enough?
3. Cool Kids Tip: A really fun way to save is to set a goal of how much money you can save and each time you reach that goal you can reward yourself with a small prize. Maybe you can set a goal for yourself and each time you reach the next level you can have a small prize.

# SHORT-TERM OR

# Long-Term Saving



## Remember!

Some goals take longer to save for than others.

Using a goal tracker can keep you excited about saving because you can see the numbers growing each time you put money in your **SAVE** jar.

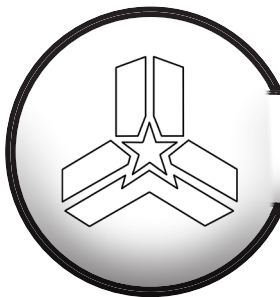
In this activity, draw a picture of the item you are saving for in the box and write down how much the item costs. Then, color in the lines on the goal tracker each time you **SAVE** money. It may take a while to reach your goal, so don't give up.

Draw a picture of the item you are saving your money to buy.

I AM SAVING FOR A \_\_\_\_\_

HOW MUCH DOES IT COST? \$ \_\_\_\_\_

## Cool Kids Goal Tracker



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