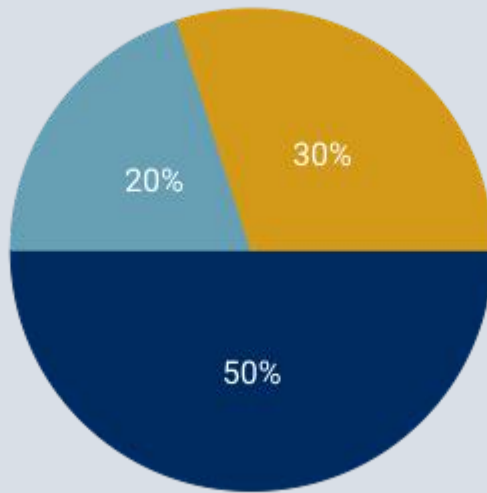


# 50-20-30 Rule

Budgeting is a crucial first step in building healthy financial habits. One effective approach to managing your money is the 50-20-30 Rule.

50-20-30 Rule



Allocate **50%** of your budget to essential expenses, **20%** to savings and debt reduction, and **30%** to lifestyle choices.

■ Necessary
 ■ Saving/Debt Reduction
 ■ Lifestyle

To the right are a few examples of spending in each category of the **50-20-30 Rule**.

Necessary	Saving/Debt Reduction	Lifestyle
Housing	Emergency Fund	Entertainment
Food	Retirement Savings	Clothing & Accessories
Utilities	Personal Loans	Travel

