



Saving Money

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Saving money can be challenging, which is why bankers are there to help customers every step of the way.

- Bankers understand the importance of saving money. They're a trusted resource to help you create a plan to reach your financial goals.

Saving can be like dieting. If you try to make drastic changes, your quality of life will suffer and it's not likely that you will be able to sustain your savings plan.¹

- It's best to save frequently in small amounts, without going too far in limiting your lifestyle. The best way to make this lifestyle change is, instead of saving in big chunks, set up an automatic savings plan that transfers small amounts out of your checking account and into a savings account each week or each month.¹

Follow these seven tips to establish good savings habits:

- Pay yourself first. If you wait to see what's left over, you are less likely to save. Determine in advance how much money you plan to keep on deposit each month. If you receive a raise, increase the amount of money deposited into your savings account.²
- Take advantage of bank technology. Consider automatic payroll deductions or automatic transfer from checking to savings. Arrange to have a specific amount transferred to your savings account every pay period.³
- Pay your bills on time and pay more than the minimum amount. Although 97 percent of Americans pay their bills on time, some consumers find themselves paying late fees. Alleviate the hassle by scheduling time once a month to pay bills, and put them in the mail with enough time to get to the creditor.²
- Determine needs versus wants. Do you need to eat out every day for lunch? Do you need that gourmet cup of coffee in the morning? By bringing your lunch to work a couple days a week, you can save hundreds of dollars a year.²
- Shop around. There are thousands of options for financial services products. Be selective, and get the best prices, services, convenient locations and lowest fees for credit cards, bank accounts, mortgages and CDs.²
- Consider investments. For long-term goals, such as saving for a home or retirement, look into bonds, mutual funds, real estate and stocks.²
- Consult your local bank. Ask which package of bank products and services would best suit your needs. Your banker is the best source of information about accounts and interest rates available at your bank.²

Insufficient savings is a top financial concern for U.S. adults.

- A Bankrate.com survey found that 29% of adults had no money set aside for an emergency.³
- 21% said their savings would only cover their living expenses for 90 days or less.³

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The ABA Foundation sponsors three financial education initiatives. **Teach Children to Save** and **Get Smart About Credit** partner students with bankers for personal finance lessons. In 2010, the ABA launched a new program called **Lights, Camera, Save!**, a national video contest where students illustrate the importance of saving. Combined, more than 225,000 bankers have reached 7.6 million young people through these signature programs.

In 2015, the ABA Foundation partnered with First Book to provide an avenue for banks to donate financial literacy-related books to low-income schools.

Sources:

¹ *Can Saving Money Be Like Dieting?* Brett Blumenthal. (2014). Retrieved from <http://sheerbalance.com/can-saving-money-be-like-dieting/>

² *Tips To Establish Good Saving Habits*. American Bankers Association (2014). Retrieved from http://www.aba.com/Consumers/Pages/CNC_contips_savetips.aspx

³ *Americans still lack savings despite bigger paychecks*, Bankrate.com. (2015). Retrieved from <http://www.bankrate.com/finance/consumer-index/americans-still-lack-savings-despite-wage-growth.aspx>