

NEEDS VERSUS WANTS

Knowing what a need is and what a want is helps you make good choices about your spending and can help you save money.

Decide if these items are a need or a want and place an X in the appropriate column.

| | Need | Want |
|-----------------------|------|------|
| Vacation | | |
| Internet | | |
| Food | | |
| Cell phone | | |
| Magazines | | |
| Shoes | | |
| Movie Tickets | | |
| Fast Food | | |
| Coat | | |
| Ice cream | | |
| Medicine | | |
| Video games | | |
| A bedroom of your own | | |
| Clothing | | |
| Home | | |
| 10-speed bike | | |
| Camera | | |
| DVDs | | |

Now take a closer look at the items you marked. Are the items you marked as a “need” really things you can live without? If so, go back and mark them as a “want.”

Sometimes wants do become needs. To be smart money managers, you must meet your needs before satisfying your wants.