

# Savings Strategies

*A woman walks around in a city. She buys a cup of coffee and sits on a park bench to drink it, then walks to a subway station and rides a train.* **Narrator:** “Let’s be frank. Building any kind of significant nest egg is no easy task. It takes strong discipline to set aside blocks of money on a regular basis and then leave those assets alone until your savings goal is within sight. What’s more, if you are like most people, those funds would not be coming from mad money you might have laying around. Rather, you’d be setting aside funds that were shifted from other spending priorities. But while systematic saving may be hard, it is most certainly doable. In fact, millions are doing it right now. Want to join them?”

*The woman sits at an outdoor table making entries into her budget on a laptop.* **Narrator:** “One place to start is by listing all of your current spending. This list could help you set your spending priorities and monitor your progress. Make sure you include everything -- the big items, such as groceries, clothing, transportation, and housing, as well as the little out-of-pocket things, such as snacks and entertainment.”

*The woman looks at items on a grocery store shelf and then continues to walk around the city.* **Narrator:** “Once you chart where your money is going, you may find that you’ll have to shift spending from some personal items in order to free up funds for your savings.”

*A bar chart appears showing the long-term benefits of saving \$50 each month. The chart indicates that \$600 could be saved after one year, \$1,201 after two years, \$1,803 after three years, \$2,405 after four years, and \$3,007 after five years. The chart assumes that monthly contributions are invested in cash-equivalent securities such as money market instruments that earn minimal returns but also incur minimal investment risk. Investors may take on larger risk to pursue higher potential returns and gain greater potential long-term growth.* **Narrator:** “Remember, a small amount set aside every workday -- such as the cost of a daily coffee or snack -- could add up to \$50 or more by the end of the month. Saved every month, that \$50 could turn into a fund worth thousands in a few years.”

*A picture of a bridge in a city park appears. Superimposed screen text includes highlights of the narration.* **Narrator:** “Many people have tools that could reduce their savings effort significantly. One is the payroll deductions used to finance employer-sponsored retirement savings plans. Another is automatic transfers from your checking or savings account into a long-term investment plan.”

*The woman reappears on a busy street smiling at the camera.* **Narrator:** “Ready to learn more about budgeting and saving along with finding tools that can help you move along the path to a stronger financial future?”