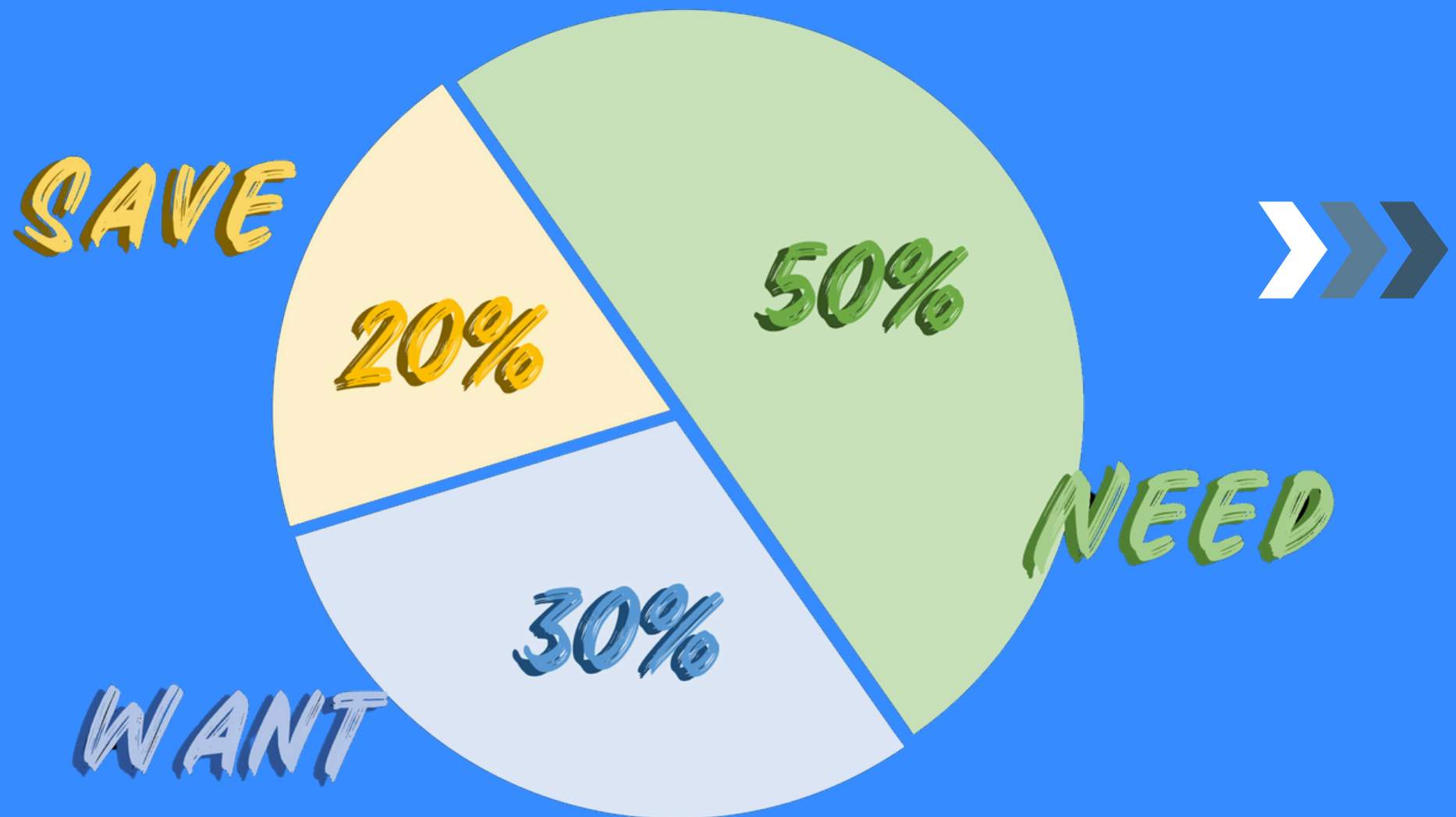


# THE 50/30/20 RULE



The 50/30/20 Rule is a simple and effective way to manage your finances by dividing your after-tax income into three key categories:



- Needs (50%): Essential expenses like housing, utilities, groceries, and minimum debt payments. These are non-negotiables required for daily living.
- Wants (30%): Non-essential expenses that enhance your lifestyle, such as dining out, hobbies, entertainment, and travel.

- Savings (20%): Funds for your future, including building an emergency fund, retirement contributions, investments, or paying off debt faster.

This rule ensures your essentials are covered, you enjoy life, and you save for long-term goals. Track expenses regularly to stay within these percentages.

