

CREATE A BUDGET IN 5 SIMPLE STEPS



Do you ever get to the end of the month and think: "Where did all my money go?" You're not alone!

Creating and following a budget is a great way to get a handle on how much money is coming in and going out each month. Here's how you can do it in five simple steps.

STEP 1:

Figure out what you take home each month—after taxes.

STEP 2:

Subtract the amount you're putting toward saving and investing.

STEP 3:

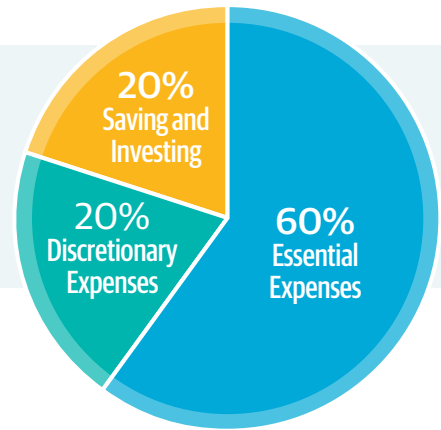
Subtract your essential, or "must-have," expenses (rent or mortgage, utilities, food, car or student loan payment).

STEP 4:

Subtract how much you spend monthly on discretionary, or "nice to have," expenses (entertainment, clothes, going out and traveling).

STEP 5:

Compare what you're spending to where you should be. A good rule of thumb to follow is 20/60/20.



Are you saving enough? Are you spending more than you have? Do you need to find places to cut costs?

.....

Once you've finalized your budget, set it—but don't forget it. Life happens. You get a raise, lose your job, get married or divorced, or have kids. That's why it's important to track your expenses monthly and adjust your budget along the way so you'll be in a better place to reach your goals.

Need help getting started?

TALK WITH A NORTHWESTERN MUTUAL FINANCIAL PROFESSIONAL TODAY!

© 2016 The Northwestern Mutual Life Insurance Company. All Rights Reserved.

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI (life and disability insurance, annuities, and life insurance with long-term care benefits), and its subsidiaries.