

SPEND

WHAT YOU
NEED

WHAT YOU
SAVE

WHAT YOU
WANT



Planning and managing expenditures is essential to financial success. By spending wisely, you can afford the things you need, save for the future and still have cash for what you want. The key is to strike the right balance between what you have and what you spend.

FOR SPENDING, CONSIDER THE 60/20/20 RULE AS A GENERAL GUIDELINE

Think about ways to prioritize your spending: essentials first, then savings. All of the extras come at the end. Adopting this mindset can make spending more guilt free. You've done all the hard work already. What you have left is yours to enjoy. Plan wisely and spend the rest!

QUICK TIP:

- Juggling a variety of financial priorities? Relieve your stress by creating a financial plan that helps you meet your goals.
- After essentials, pay yourself first and spend only what's left. Avoid the habit of saving only what's left after your monthly spending.
- Prioritize your debt payments. In general, begin by eliminating high-interest debt, such as credit cards, first.



60%

of your income should be spent on essential expenses, such as housing, insurance, transportation, loan payments and food.



20%

of your income should go toward saving and investing.



20%

of your income should be spent on discretionary expenses, such as entertainment, the latest technology and dining out.

SO WHAT'S NEXT?

Check out Northwestern Mutual's client website to link all of your accounts and get a big-picture view of your finances. Northwestern Mutual clients can visit northwesternmutual.com and click LOG IN. Select Personal Insurance & Investments. Be sure to connect with a financial representative who can deliver a unique plan that will help you reach your goals.

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