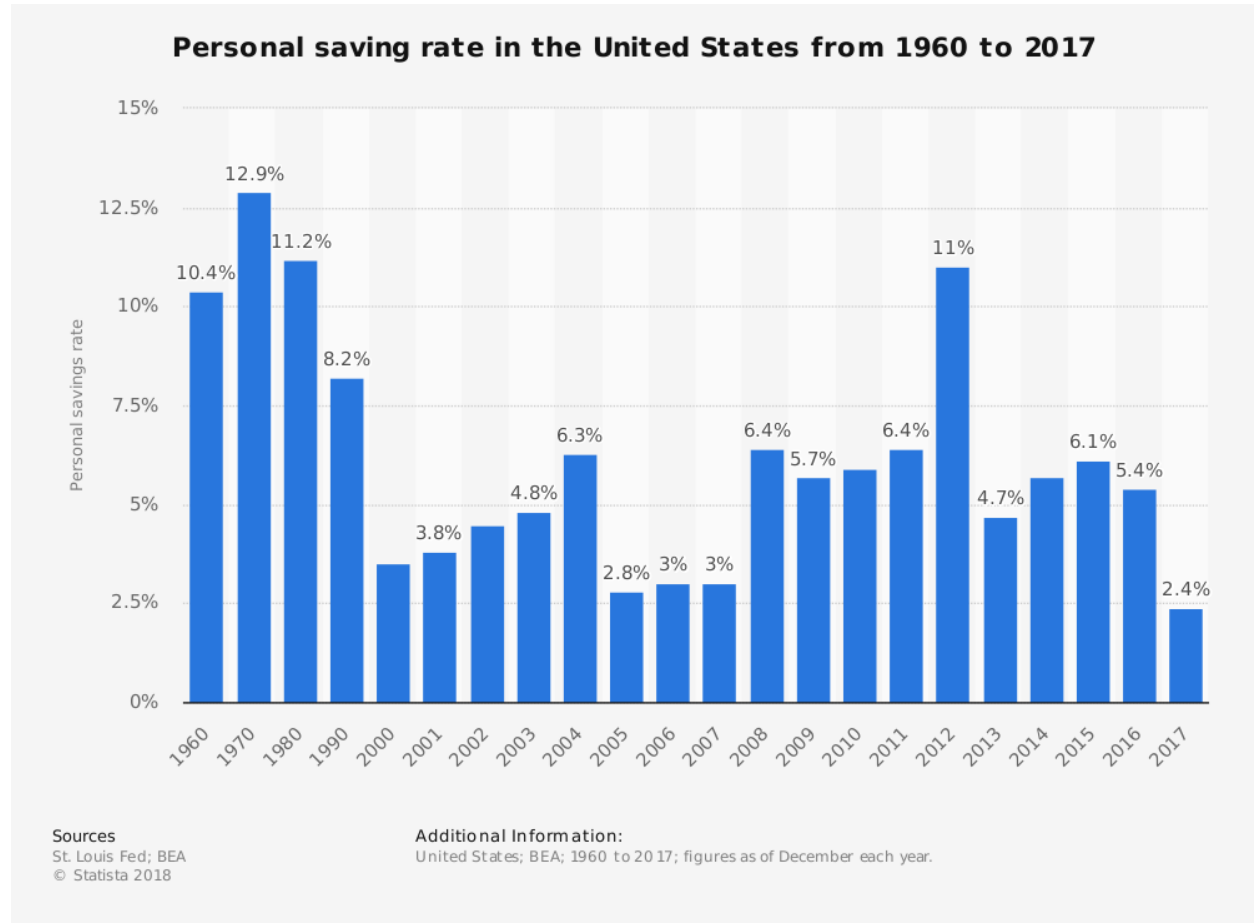
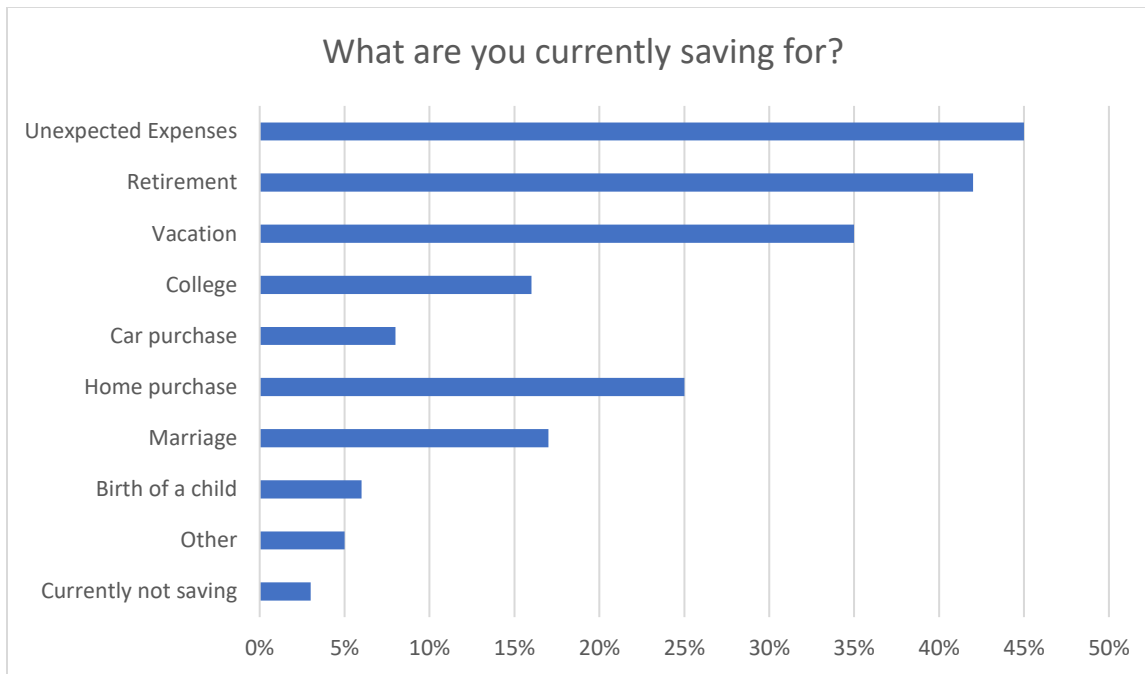


Personal Savings

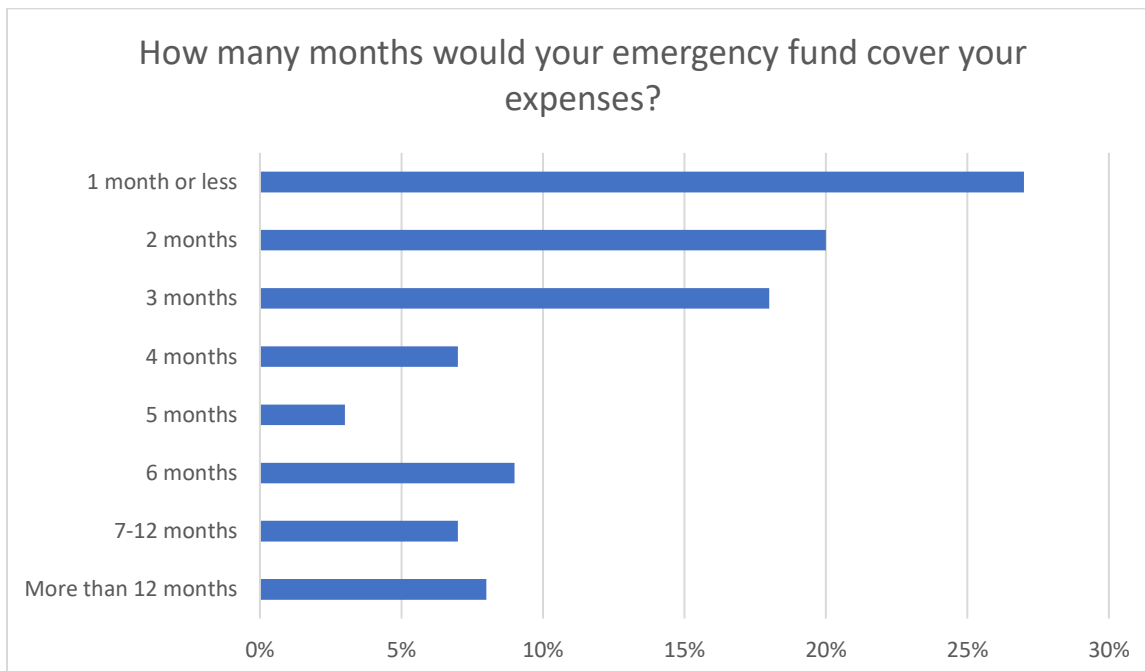
Personal savings is the amount of money individuals put aside from their earnings. The money is kept in a safe place, such as an account at the bank. The chart below shows personal savings rates from 1960 to 2017. Notice how much savings rates have fluctuated each year. Look at the chart and determine what year(s) people saved the most? What year(s) did people save the least?



When people save their money, what do you think they save their money for? The chart below shows that most people in the United States are saving for unexpected expenses, also called a 'rainy day' or emergency fund. This is money people set aside for an expense that they normally do not have. This could include car repairs, a doctor's bill, or if their pet must visit a veterinarian. These funds are also used if someone stops working for a period of time. When individuals save money, they can pay for their unexpected expenses without having to borrow money or put it on a credit card. This strategy is helpful because the individual does not have to pay the cost of the item plus interest to anyone else. Take a closer look at the chart. Is there anything that surprises you? If so, what is it and why are you surprised?



The next chart looks at how long savings in an emergency fund would cover a family's expenses. Most individuals only have enough saved to cover their expenses for one month or less. What are your thoughts about this chart? Do you think this is good or bad?



After spending time analyzing the charts and reflecting, discuss your thoughts on personal savings in the United States with your class.