

# MINISTRY OF ECONOMY AND FINANCE

## Lesson 1: Economic Stability and Financial Literacy

Vocabulary

Sentence or Example

**Budgeting**

A low and steady inflation rate is a sign of a stable economy.

**Credit**

The country's income contributes to the economy.

**Economic stability**

It's important to use credit wisely to avoid debt.

**Expenses**

Investing can help your money grow over time, but it also comes with risks.

**Financial Literacy**

Knowing how to manage your money and avoid debt means you have a good financial literacy.

**GDP (Gross Domestic Product)**

Economic stability is important because it creates a safe environment for businesses and consumers.

**Income**

Expenses are important for a state.

**Inflation rate**

If you earn 50€ a month, you can budget 20€ for entertainment, 10€ to buy a T-shirt and save 20€ for other future needs.

**Investing**

A growing GDP usually means the economy is doing well.