



READING COMPREHENSION

FINANCE



NAME: _____

DATE: _____

Managing Personal Finances

Maria recently graduated from college and started her first job in the city. She was excited to earn her own money, but quickly realized that managing finances could be challenging. Her monthly bills included rent, utilities, groceries, and a student loan installment. The cost of living in the city was higher than she expected, and she had to tighten her belt to make ends meet.

Maria set a budget to track her income and expenses, aiming to stay in the black. She decided to cut back on non-essential spending, avoided rip-offs, and searched for bargains. However, unexpected car repairs forced her to dip into her savings. To cover large expenses, Maria considered taking out a personal loan but worried about high interest rates. She opted to pay off her credit card in full each month to avoid rolling over debt and incurring extra fees.

Maria's goal was to save enough for a down payment on a house. She looked into mortgages but was shocked by the lump sum required and the long repayment period. A friend advised her to start small and invest in a cash cow opportunity to bring in additional income. Maria also learned the importance of an emergency fund, so she wouldn't have to throw money down the drain on interest payments if something unexpected happened.

Despite the challenges, Maria felt proud of her financial progress. She realized money doesn't grow on trees, and living beyond her means would only put her in the red. By staying disciplined, she hoped to achieve financial stability and a comfortable living standard.

1. Read again and choose the correct answer.

- **What was Maria's main financial challenge?**

- a) Saving for a vacation
- b) Managing unexpected expenses
- c) Paying off her mortgage
- d) Finding a high-paying job

- **Why did Maria decide to avoid using credit cards frequently?**

- a) She didn't want to pay annual fees.
- b) She preferred paying in cash.
- c) She wanted to avoid high interest rates.
- d) She disliked online payments.

- **What advice did Maria's friend give her?**

- a) Invest in a cash cow to generate income
- b) Buy a new car
- c) Take out a large loan
- d) Spend freely on luxury items

- **Which of the following best describes Maria's approach to finances?**

- a) Careless and unplanned
- b) Cautious and strategic
- c) Generous and wasteful
- d) Risky and aggressive

- **What did Maria learn from her financial situation?**

- a) Money grows on trees
- b) Living beyond one's means is sustainable
- c) Financial stability requires discipline
- d) High interest rates are beneficial

- **Why did Maria consider taking out a personal loan?**

- a) To pay for a vacation
- b) To handle unexpected car repairs
- c) To invest in a cash cow
- d) To cover rent expenses

- **How did Maria respond to unexpected expenses?**

- a) She borrowed from friends
- b) She ignored the expenses
- c) She dipped into her savings
- d) She rolled over credit card debt

- **What was Maria's main financial goal?**

- a) To buy a luxury car
- b) To invest in stocks
- c) To save for a house down payment
- d) To travel the world

• **What was Maria's strategy to avoid rolling over debt?**

- a) Pay in installments
- b) Avoid using her credit card
- c) Pay off her credit card balance in full
- d) Only make minimum payments

• **Which expression best describes Maria's financial discipline?**

- a) Throwing money down the drain
- b) Living beyond her means
- c) Tightening her belt
- d) Bringing in extra income

2. Complete the sentences with the correct expression:

dip into pay off cut back rolling over money doesn't grow on trees

- Maria learned that _____, so she managed her money wisely.
- To cover unexpected costs, she had to _____ her savings.
- Maria aimed to avoid debt by not _____ her credit card balance.
- She decided to _____ on non-essential spending.
- Her long-term goal was to _____ her student loan.

3. Choose true or false based on the information given in the text.

Maria's main financial goal was to buy a new car. **True / False**

She was advised to spend more on luxury items. **True / False**

Maria planned her finances to avoid debt. **True / False**

She frequently used credit cards for daily expenses. **True / False**

Maria believed money was easy to earn. **True / False**