Reading A1-09

1. Read the text and complete the tasks.

Ckeck the tips mentioned in the text.

a) Make a budget.	
b) Increase your income.	
c) Calculate your expenses.	
d) Overspending is a bad idea.	
e) The best option if you need money is to borrow from the bank.	
f) Save money everyday.	
g) You never have to buy cell phones.	

STUDENT LIFE

MANAGE YOUR MONEY

Congratulations! You have received your first **student loan**. How are you going to spend it? Are you going to go out and buy that new cell phone or those cool sneakers? Well, don't!

Before you spend a penny, you have to make a **budget** and plan your spending. First, write down your **income**—how much money you receive. Then calculate your **expenses** (rent, transportation, food). If your expenses are lower than your income you are on the right track! Now you know how much money you have left to spend each month. But don't **overspend** or you will have to **borrow** money. Borrowing money from the bank is expensive. **Interest rates** are high. You could check to see if a friend or family member can **lend** you the money.

You also have to think about the long term. How are you going to pay for that spring break at the beach, or buy your family presents? You will have to **save** some money every month. So, that new cell phone can wait. Manage your money and maybe you'll be able to take that spring break at the beach—in Mexico!

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1. It is good to have expenses lower than your income. **T F**
2. Never borrow money from family or friends. **T F**
3. Rent and transportation are examples of income. **T F**