**Category: Money**

**THERE ‘S A REDLINE BETWEEN SAVINGS AND FOMO!**

Have you been wondering why should you save, how to start saving or where to save? Do not worry. You are one out of five teenagers out there asking the same questions.

People save money for different reasons such as investments, education, health and vacations. As such, saving money is not for adults only or for the employed.

Your lack of a steady income should not stop you from developing a savings habit. In fact, the good habits you develop when you are young will help you thrive when you are older.

**50:30:20**

One way to help you stick to your saving habit is to serve the 50:30:20 rule. This rule allocates 50% of your money to necessities or needs. That money goes to those things that you cannot do without like utilities, food and airtime. 30% of your resources will then go to your wants. Your wants are not necessities, but they are those things that you aspire to own; like a pair of shoes or a watch. Lastly, the 20% of your money will be put into a savings plan. This 20% is non-negotiable if you want to meet your long term financial goals.

**Banking**

Do you have a bank account? If it is a yes, good for you! If not, you could ask your parents/ guardian to help you open a savings account. The banks will require your parent/ guardian’s consent if you are under the age of 18. They will also advice you on the best account to choose depending on your financial vision.

In the alternative, you can have a piggy bank or a ‘money saving container’ to save that extra coin or note. Home banking is a short-term saving plan and it is intended to help you save over a specified period of time and for a particular cause. To avoid the temptation of breaking the 50:30:20 rule, ensure that your piggy bank or container is tightly sealed to keep you from unlocking or breaking it.

**Tracking**

Lastly, learn how to track your money whether you work or receive allowances from your parents. Most important however, is that you protect yourself from falling into the FOMO pit. It pays you no bonuses in the long run.

By Linet Makena

@Mackenna\_Essence