



Our Youth & Spending Habits

The Power of Teen Spending!

May 2008

Articles from Life Stages Magazine



typical American teen spends on average up to \$104 a week, primarily from their allowance and the work that they do for extra money.

What do teens buy and who do they influence? Teens are less dependent on their parents for day - to - day decisions, but they are involved with family purchases. In single parent families, or families where both parents work, teens often prepare shopping lists and actually do the shopping when they are of driving age. They also influence purchases family members make.

Research shows that siblings and parents are directly or indirectly influenced by the teens in their household. For example, many moms will ask their teenage daughters for their fashion opinion, dads will talk cars and sports with their sons, and tweens (younger siblings) often want to emulate their older teenage siblings.

What would you do with \$179 billion? That's how much 12 - 19 year olds spent in the United States in 2006. In fact, their spending has grown steadily over the past several decades, often outpacing inflation.

To better understand teens and their role in the marketplace, it's important to know how they receive their income and where they spend it. According to Teenage Research Unlimited (TRU), the

Congratulations

to 2008

Maloney and Platt Graduates



Savings Rates

Account Type	APR	APY
Savings & Clubs	0.65%	0.65%
IRA Money Market	3.00%	3.05%
Money Market Rates		APR
\$25,000 or More	2.85%	2.69%
\$10,000 to \$24,999.99	1.50%	1.51%
\$2,500.00 to \$9,999.99	0.75%	0.75%
Certificate Rates Term		APR
6 months	2.65%	2.69%
12 months	2.85%	2.89%
18 months	2.75%	2.79%
24 months	2.75%	2.79%
30 months	2.75%	2.79%
36 months	2.85%	2.89%
48 months	2.85%	2.89%
60 months	3.00%	3.05%

Loan Rates

<u>Car Loans (New & Used)</u>	<u>First Mortgage Loans (No Closing Costs or Fees)</u>
5.50% Up to 36 Months	5.75% 15 Years
5.75% 4 - 5 Years	6.10% 30 Years
6.99% 72 Months	<u>Second Mortgage Loans</u>
<u>Unsecured Loans</u>	<u>80% LTV Term</u>
8.99% 2 Years	5.99% 5 Years
10.99% 5 Years	5.75% 10 Years
	6.75% 15 Years
<u>Home Equity Line of Credit</u>	5.00% Prime Rate
(No fees, Points or Closing Costs on Mortgages \$25,000 and higher)	
<u>Home Equity Line of Credit</u> 5.25% - Prime Rate - No Closing Costs or Fees	

Rates may vary based upon credit score. All rates are subject to change at any time.

Congratulations!



Meriden Schools FCU would like to congratulate Member Mary Ann Blakely for winning a DVD Player and Member Holly Ricker for picking up an iPod for wearing their Credit Union T-Shirt to the Daffodil Festival!

Call Renee for details / (203) 237 - 6424 ext. 15

Meet The Money Savvy Pig

One slot piggy banks have been around for...centuries. But the world has changed in the 21st century! Now, we have highly sophisticated financial systems, a system whose complexity has outstripped the ability of most adults, many of whom grapple with credit card debt, even bankruptcy.

Personal finance education needs to start young. How? With the same universally loved childhood toy, the piggy bank...but this one with a twist! The Money Savvy Pig piggy bank has four chambers, one for each of the four money management choices a child should be taught from the time they are small. They are SAVE, SPEND, DONATE and INVEST.

Why does it work? It gives a child a sense of control which leads to a sense of security. When you give children the Money Savvy Pig, you give them control over the money in their lives.

In a respectful way, the Money Savvy Pig asks children what they think is the best choice and allows them to make it. A sense of control leads to a sense of security.

It's interactive. In today's world, kids expect things to be interactive. The Money Savvy Pig involves the child, but on their terms. This involvement will give them good money management habits that will last a lifetime.

The Money Savvy Pig encourages parental participation. The goal setting stickers give parents the opportunity to discuss choices, their implications and values appropriate for each child.

To view colors and to order, simply visit www.msgen.com and look under the products for kids section. PLUS, they have football banks, cow banks and many other Money Savvy products as well!



Pre - Teens Are Big Spenders

Research shows that pre - teens - or tweens - are like adults when it comes to spending money; they do it in a variety of different ways. What may surprise you is that tweens also significantly influence how money is spent by adult and siblings in their households.

Tweens are important because they are just beginning to develop adult characteristics and behaviors. The following is an overview of the 12 and under age group, including how much they spend and where it goes.

- Parents are friends for the most part. Research shows parents and tweens work more like a team than adversaries.
- Tweens are technology savvy and driven.
- Key purchases they make and the family purchases they influence include clothing / apparel, movies / DVDs, groceries, video games and systems and books and magazines.
- Tweens ages 8 - 12 spend at a rate of \$19.1 billion annually, or \$946 per person.

Youth between the ages of 8 - 12 look up to teens, but many still enjoy playing with traditional toys, like dolls and action figures - although the older segment of the group would most likely say they don't. In social area, tweens are even more aware than Gen X and Y were when in this age range.

