

# Money Matters

## Making Smart Financial Choices For Gift Shopping

(NAPSA)—Given the challenging economic conditions, many Americans are likely to be more cautious than ever when it comes to holiday spending. A recent Nielsen survey indicated that 35 percent of U.S. households plan to spend less this year than they did in 2007.

Loretta Abrams, senior vice president of Consumer Affairs, HSBC-North America, urges holiday shoppers to pay closer attention to the usual advice for keeping gift shopping under control.

- Set a budget and stick to it!
- Make a list and check it twice (this doesn't just apply to Santa).
- Don't create debt you can't manage (plan to pay on the spot or repay within two to three months).
- Trim your gift list before you trim the tree—identify what expenses you can cut and which gifts you can eliminate.

In addition, Abrams also recommends the following tips that can save money but at the same time fulfill your holiday obligations:

- Select gifts that satisfy a need in a way that's helpful, convenient and valued. Good examples are gift cards for gas or groceries, prepaid calling cards, dry-cleaning services, a cell phone with prepaid contract or help buying schoolbooks, etc.
- Take advantage of the many special holiday gift sets and two-for-one options to expand your giving options or consider gift ideas that will allow you to spread out your giving (manicures for the next three months, or bundling multiple items from a Web site to save shipping costs).
- Give a gift that may open doors or create opportunities.



Deposit to a 529 college savings account and U.S. Savings Bonds, or provide supplies for a crafter, etc.

- Browse online to see which retailer offers the best price and look for coupons and free shipping deals.
- Resist temptation. Some short-term decisions, like opening additional unnecessary credit card accounts to save 10 percent on purchases, may have a long-term negative impact on your credit score. Also, think twice when using your credit cards during the season to make sure you can pay for purchases within three months and that you are always guarding against identity theft.
- Protect your identity like cash. Keep receipts and billing statements to check for unauthorized charges. Shred documents that contain personal information. Before giving out your credit card information online, look for a padlock or key icon at the bottom right of your browser window to ensure you are on a secure page.

In other words, spend wisely and make your gifts memorable. Take advantage of additional free financial independent resources on [yourmoneycounts.com](http://yourmoneycounts.com), which is available in both Spanish and English.