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MONEYLIFE

Time for a Budget? Time for This Book

You're not alone if you've just received a pile of bills from your Christmas shopping splurge. Sales rose about 10 percent this past holiday season, much to the delight of retailers. But much of that spending was done on credit cards—and now the bills must be paid.

So this is a perfect time to keep your New Year's resolution to make a budget—and just in time, there's a budget book that will make the job much, much easier.

The Budget Kit: The Common Cents Money Management Workbook, Judy Lawrence's excellent budget organizer, has just been reissued by Dearborn Financial Publishing (\$15.95, available in bookstores or by calling 312-836-4400, ext. 650).

I'm proud to say I wrote a foreword for this book, because I have known the author over the years and have watched this project grow from a self-published workbook to a softcover book that is now in national distribution.

Creating a budget really does require a bit more than making a list of all your spending needs and trying to match that up with your income. The little booklets found in stationery stores provide the lines and blank spaces to create a budget, but not much guidance.

The Budget Kit, on the other hand, shows you how to structure your necessary spending, while creating categories to save for longer-term goals. It helps you match your cash flow—whether your paycheck comes weekly, bi-weekly or monthly—with the due dates on your bills, so that you avoid costly finance charges and overdrafts.

You'll learn the true cost of your credit purchases—even if you always manage to make the minimum required payments. And you'll set up a system so that you'll never be "surprised" when the annual insurance bill arrives, or when you need extra cash to pay for a special event such as a birthday or graduation present.

This is a do-it-yourself book, with plenty of space to keep your monthly records. There

markets over the last 20 years.

Leo Melamed's name is almost synonymous with the futures markets. When President Nixon closed the gold window on Aug. 15, 1971—saying the United States would no longer exchange gold for dollars held by foreign central banks—Melamed was among the first to realize that currencies no longer tied to the dollar and gold would have to fluctuate.

And businesses would need a mechanism to hedge against those currency swings. Thus was born the International Monetary Market at the Chicago Mercantile Exchange.

I was among the first traders on the floor in those years, when the experiment was just getting going. And I've watched over the years as the IMM has become the center of financial futures around the world—not only for currencies, but Euro-

dollar interest rate contracts, and the S&P 500 futures contract, one of the most successful in history. Looking back, it all seems easy.

Melamed on the Markets does not just dwell on the past, though. His current project, Globex, is a computerized network that will take advantage of the latest technology to allow trades to be made and cleared around the clock, around the world. Globex has gotten off to a fairly slow start. In fact, there are many within the trading community who are secretly hoping it will fail. After all, if computers can be used to match buy and sell orders, who needs trading floors—and traders?

Melamed staunchly defends both Globex and the trading floor concept—and believes they can co-exist and prosper together. It may seem like a wild idea, this instantaneous global commerce concept. But then, back in 1971 the IMM was seen as outrageous too.

Terry Savage is a registered investment adviser, owns a seat on the Chicago Board Options Exchange and is on the board of directors of McDonald's Corp. and Carter Hawley Hale Inc.



**Terry
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