

FINANCIAL resolutions

that will really HELP

New Year's resolutions are a big focus at the beginning of each year. Beside the 40 books you plan to read or the daily sweat session you plan to add to your routine, it's also important to focus on financial matters. Whether you've set your financial goals or not, here are three easy but meaningful ways for you to enhance your financial future.



1

MAKE ROOM FOR SAVING

Re-evaluate your monthly expenditure and identify some ways, even small ones, to cut costs and save more. Write down your expenses on a budget sheet. This can help you to pinpoint your monthly expenditure more accurately.

WHY NOT OPEN A TAX-FREE SAVINGS ACCOUNT THIS YEAR?

A tax-free savings account allows you to save up to R33 000 per year, tax free, and is a great way to supplement your retirement fund contributions. Speak to your bank for more information on what's available.



Example

Let's say you put R500 in a tax-free savings account on a monthly basis for 10 years.

What you put in:
R75 467
*Assuming that annual payment is linked with inflation.

+

Potential growth/ interest less charges on an inflation-linked account*:
R30 330

+

Tax savings*:
R6 246

=

Total*:
R112 043

*The amounts above are projection amounts and are not guaranteed.

Remember

A tax-free savings account is not meant to replace your current retirement fund investments. It's meant to supplement the savings plan you already have.

2

CUT RECKLESS CREDIT HABITS

Do thorough research or speak to your financial advisor before applying for any credit. First, ask yourself if what you are applying for is a NEED or a WANT. Rather look at ways you can save cash to purchase the items you want.

Remember

It is always good to know that your credit record is in healthy. You can download your record once a year for free from one of the following websites:

www.transunion.co.za

www.experian.co.za

www.xds.co.za

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BECOME FINANCIALLY CLUED UP

There are a number of useful financial publications that can help you create a money-savvy culture for yourself. Take the time every morning to catch up on the latest financial news and learn from the experts. Here are two resources to start with:

www.fin24.com

www.moneyweb.com

Don't think of it as only a New Year's resolution. Think of it as a New Lifestyle resolution. A small but clever adjustment today can benefit you greatly in the FUTURE!

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