

African Bank Ltd press release

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Start saving today and you can have that dream holiday in December

The bite of festive season overspending will still be lingering with many consumers in February. For those wishing for a better festive season this year, with money to afford a few luxuries without New Year guilt, Neil Thompson, Head of Product and Customer Value Proposition at African Bank, says it starts with a good savings account.

“Money saving strategies, regardless of what they are, are necessary,” says Thompson, adding that a simple concept like opening a savings account can yield extraordinary results if you find the best bank savings interest rates to begin with.

“You do not have to make massive deposits into the account each month, but be sure your efforts are rewarded with the best interest rate. What you are depositing should be in line with what you want to achieve. If it is a dream holiday in December or something more long term, like buying a car, then save appropriately.”

But how easy is it to save money?

Thompson says many people find it challenging and claim they do not earn enough to save.

Here are Thompsons top 10 tips for making savings easier:

1. **Every cent matters:** The best savings plan can backfire if you do not recognise the time value of money - in other words, that R1 today is more valuable than R1 a year from now. Save every cent you can by avoiding falling into the trap of spending an extra few Rands here and there.
2. **Save at your own pace:** It is not true that saving more is better than saving less. Your needs may be different to others, so save what is realistic. Generally speaking, try to build up your savings to at least the equivalent of three to six months' salary in an easy accessible account.
3. **Pay yourself first:** This is a feel-good tip and a very important one. Take the money you want to save out and “pay yourself” before you pay any of your debts. Doing this has been proven to lead to good savings behaviour.
4. **Find money to save:** Look at what you spend money on every month and see what you can cut down on, and put this extra money into your savings. For example, try carpooling instead of driving yourself to work or make lunch instead of buying lunch every day.
5. **Find extra work:** This may be easier said than done but even a dog walking service in your neighbourhood can bring in extra money - an extra boost for your savings!
6. **Get rid of debt:** High interest debt can be especially crippling to a savings strategy, so try to pay this off first. But ... be sure to still put some money into your nest egg, like a [fixed deposit account](#).
7. **Set a goal:** Do you want to save R5 000, R20 000 or R100 000? With the right savings account and mindset you could exceed your expectations. Stay focused and committed.
8. **Save with someone else:** Get a friend or the whole family on the savings bandwagon and motivate each other. Imagine how much sooner you can boost your account if everyone is contributing something each month.

9. **Interest, interest, interest!** Do your homework before opening an account to make sure you are going to get the best bank savings interest rates to grow your hard-earned money.
10. **Automate your savings:** Set up a debit or stop order for your savings amount to automatically and effortlessly go from one account to another. You will not even miss the money and it will be growing with interest before you have even noticed it was taken off.

ENDS

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PREPARED ON BEHALF OF AFRICAN BANK BY CATHY FINDLEY PR. CONTACT JACQUI RORKE ON JACQUI@FINDLEYPR.CO.ZA OR (011) 463-6372 WITH ANY CONSUMER PR QUERIES.