

Savings

Keep your eye on the prize and watch your savings grow



Two steps to saving

- 1 Spend less than you earn.
- 2 Invest the money you save. Investing is about buying things that can increase in value.

How to spend less

- 1 Track your spending.
- 2 Repair instead of replacing.
- 3 Sell your unwanted stuff.

Before you buy, work out how many hours you have spent earning the cost of your purchase.

Aim to save at least 20% of your income – that's \$1 for every \$5 that you earn.

Put these savings towards:

- 1 Repaying debt.
- 2 Purchases that will increase in value.

Are you spending on:

- 1 Food?
- 2 Clothes?
- 3 Entertainment?
- 4 Activities?
- 5 Electronics and gadgets?

Saving tips

When buying a cell phone, try paying a little bit more up front and choose the unlimited data and text messaging plan.

Set a three month check-in and analyse your spending pattern to see where you can cut back.

Talk to your whānau about how they manage their money.

Exercise self restraint when you find something you want to buy. Wait some time before actually buying it. By then you may have changed your mind about wanting it.

Find out when shops have sales and wait to buy big-ticket items.