



You Can Save

During The Pandemic

Recent events have had a huge impact on our way of life. How we spend our money is a big part of that.

For many this has created a serious financial strain on their household and forced them to re-evaluate their spending and expenses.

Others have been more fortunate. With limited opportunities to travel owing to closed state and international borders they have been able to save money.

Recent reports show as much as \$38 billion that would have been spent on international travel will no longer leave Australia¹.

But we haven't pocketed all of that \$38 billion!...

With less spending on entertainment and travel, Australians have spent more on household goods and groceries. Spending on homewares was up by 26.4% compared to a year ago².

But with a little more focus, the money you save now could put you in a much better financial position in the future. It may even land you an investment property or a new home!

Here are a few examples of how some of our clients allocated the money saved on overseas travel and entertainment:

Client 1: The money not spent this year on an international family holiday has paid for a **renovation of their home including a new kitchen.**

Client 2: While working remotely from home, their lease expired on their rental property. They decided to **move back home with their parents to help make their move into the property market and save towards a deposit on their first home loan.**

Client 3: With the annual family holiday cancelled and the attractiveness of low interest rates it was decided now was the time to take their first step into **property investment with the purchase of a two bedroom unit.**

Client 4: This family was due to visit relatives overseas this year with their young children. The money they saved on airfares, accommodation and associated travel expenses has been put towards **extra payments on their mortgage.**

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Good time to review your expenses and saving strategy

Having worked with many clients over the years, we have observed (either intentionally or unknowingly) that when your available cashflow increases, sometimes:

1. 'expense creep' takes place as you take your eye off the need to monitor your spending so closely
2. you may not necessarily have more money available in your pocket at the end of each month, and
3. many do not apply these additional funds to meaningful acquisitions or investments.

We have also observed that when our clients are motivated, they can retain their existing spending habits and utilise these new found funds to contribute to their long term financial goals.

Don't let the money you are saving get absorbed into your daily living!

This could be a great opportunity to start paying down your mortgage, adding value to your existing home or potentially becoming a property investor.

Even if you think this doesn't seem real for you, why not call us for a chat? You may be surprised at how close you could be to achieving your property goals.

If you are keen to know more, regardless of your situation, contact us for our article on 'Buying and Selling In A Recession'.

1 Financial Review, We've saved \$38b in overseas travel – but can we spend it?: <https://www.afr.com/policy/economy/38b-saved-from-travel-but-can-we-spend-it-20200713-p55biw>

2 The Guardian, The pandemic purse services suffer while Australians spend up on home cooking and liquor: <https://www.theguardian.com/business/2020/sep/13/the-pandemic-purse-services-suffer-while-australians-spend-up-on-home-cooking-and-liquor>



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Contact us for a copy of
"Buying Or Selling In A
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