

**African Bank Ltd press release
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Women's Month: How to recession-proof your finances right now

The prospect of a recession can be scary, particularly when you have a family to feed. Right now, it costs so much more to fill a trolley, the price of petrol is so astronomical it may as well be rocket fuel, and just about every expense is, well, expensive.

Sole breadwinners, many of whom are women, are particularly vulnerable in these tough economic times. According to the Stats SA General Household Survey of 2021, more than two-fifths (42,1%) of all households were headed by women.

This Women's Month, as we celebrate the many achievements of women, African Bank wants to encourage the women of South Africa to nurture and safeguard their financial independence. In tough economic times, with salaries so stretched, the tendency is often to neglect vital money management habits, such as saving and investing. As a result, future often take a backseat to the more pressing concerns of the now.

True financial independence, however, transcends simply earning a salary. It starts with your ability to take more control of your money and grow it. Steadily growing your wealth through savings and investments means you don't have to put your life goals on hold. Even if you start small, it can help you to build a safety net that will see you through lean times, and then thrive when conditions improve.

It also means that your plans will stay within reach, be it an education for your children, a home renovation, or a much-needed holiday.

Here are some excellent tips from African Bank on how to recession-proof your finances, starting today:

- *Live within your means:* There is no better crutch in bad times. It means you will be better equipped to face a rise in the cost of living and have money to save. If you already budget, well done! The trick now is to tighten that budget accordingly and prioritise your savings.
- *Keep your credit record clean:* A healthy credit score can stand you in good stead when times are tough and help you get a better deal on credit and loans in the future. To maintain a good credit record, pay your creditors on time and don't miss payments. If you are struggling, talk to your creditors about a temporary lower repayment amount. African Bank offers a free credit report, even to non-customers.
- *Have an emergency fund:* Money earning interest in a savings or investment account that you can access in a crisis is invaluable. It means less reliance on credit in an emergency. Remember: if you use money from this fund, always be sure to replenish it as soon as possible.
- *Save and invest:* The benefit of saving and investing is that it allows you to stay ahead of inflation and increase the value of your money. Do some research so that you find the best investment rates that will help to grow your wealth. Since money is

tight, you can start small and build up your investment or savings over time. The crucial first step, however, is to start.

- *Create a side hustle:* An extra income stream is a great buffer and lifeline. Many thriving side hustles were born during Covid-19. Now is a good opportunity to turn a hobby or talent into extra money.
- *Learn more about money:* Research basic financial management and investment. For example, you should always be clear about interest rates and, if you have investment accounts, find out how they are performing. Keep an eye on bank charges that eat into your available income. Every cent counts, so make sure you are getting value for money from your bank.
- *Talk about money:* Be an active part of conversations about money at home, regardless of your marital status. It is easier to achieve financial goals when everyone is pulling in the same direction. Get the kids involved too. Open a bank account for them, or get a shared account like African Bank's MyWORLD that links to yours, so that you can track their transactions and help them learn about sound money management.

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