

INTEGER HAILED AS BEST ACCOUNT FOR HOMEOWNERS

The Sunday Times has recognized Integer as offering home owners the best account package currently available in SA. This was based on a survey conducted by financial comparison website www.thinkmoney.co.za. In the current economic climate of rising interest rates and tightening liquidity, consumers are looking for the best deal and to save wherever they can; clearly Integer's offering is the right product at the right time. Bang on target.

Integer.
www.integer.co.za

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Wives needn't lose out if they

IF YOU are a housewife, keep a beady eye on your finances so that you are not caught with your knickers down when you spouse decides to leave you.

Even if it's just a little money squirrelled away from a part-time job, some savings in your own name is better than none.

Become familiar with household

bills, debt and other expenses. If your husband handles such matters, tell him you want to learn how he does it.

Educate yourself about the family's assets. Know what the investments are and how they can be accessed, if need be.

TIP OF THE WEEK

After divorce, make your money work for you. — year reader's tip

Switch and save

Moving your bank account could score you R1 000 a year on fees, writes **Abdul Milazi**

IN HARD times like these, when money is too tight to mention, everybody is looking for ways to get the most out of every rand.

Little do we know that the seemingly simple act of switching bank accounts can save us more than R1 000 a year on bank charges.

Mike Kann, co-founder of one of the country's leading independent financial comparison websites, ThinkMoney.co.za, says average consumers spend R1 703 a year servicing bank charges on their current accounts.

Paul Beadle, managing director of Justmoney.co.za says most South Africans don't know if their banks are overcharging them because their bank charges are too complicated or they simply don't bother to check them regularly.

Beadle says the complexity of South African bank charges, combined with the

'There are a bewildering variety of pricing options'

fact that most consumers don't understand them, means that many people are probably spending too much on their banking.

"There are a bewildering variety of pricing options, with some banks offering four or five different pricing structures for the same account, ranging from 'pay-as-you-transact', to 'managed fee' and 'rebate banking,'" says Beadle.

He says the best choice of pricing option depends on the number and type of transactions you perform, which will dictate the amount and cost of the charges you incur.

"But because consumers do not understand the way their bank charges are calculated and applied, they have no idea whether they are on the most cost-effective pricing option or not," he says.

Beadle says R75 a month might not sound like much of a saving but in the current economic conditions, saving R900 a year on bank charges — and shopping around for cheaper credit cards, mortgages and insurance — could end up saving a household thousands of rands each year.

Kann says one of South Africa's best-



WORTH THE EFFORT: Take the time to shop around for competitively priced banking products

Picture: MARIANNE PRETORIUS

priced bank account is the Capitec Global One Gold account, which will save the average consumer R1 663 a year.

By switching to a Capitec account, the average consumer will only spend R40 per year, saving R1 663 a year.

He says Capitec's account isn't the only option for those wishing to switch to a better-priced product. There are many new offers on the market, including

Sanlam, Integer and Nedbank.

Kann says that price shouldn't be the only factor influencing one's decision.

"When selecting a bank account, a number of factors should be considered. Most of our consumers consider Internet banking facilities and a petrol card to be essentials. But one should also consider whether an overdraft is required," he says.

Kann says consumers should ask themselves how important a cheque book and branch banking facilities really are to them. Most of the cheaper options rely entirely on Internet and telephone banking.

And don't be put off switching accounts because of the hassle of switching debit orders and picking up cards from branches.

SPOILT FOR CHOICE

BEST-PRICED ACCOUNT:
Capitec Global One Gold
Key feature: Well-priced, simple fee structure.

Average annual cost: R40.
Average annual saving: R1 663.
Pros: The simplicity of the product enables good service.
Cons: Capitec still relies entirely on its small but growing branch network. The product has no petrol card and limited Internet functionality.

BEST SAVINGS ACCOUNT:
Sanlam Liquid
Key feature: Market-linked savings rate of 10.5%.

Average annual cost: R822.
Average annual saving: R881.
Pros: The best savings rate in the market. The fact that it tracks the market means that you won't ever need to switch to another account.
Cons: No petrol or secondary cards.

BEST ACCOUNT FOR HOMEOWNERS:

Integer
Key feature: Combined current account and home loan in one.
Average annual cost: R678.
Average annual saving: R1 025.
Pros: The best-priced "one account" on the market. Combining your home loan and current account can save you thousands and reduce your repayment term by many years.
Cons: No petrol or secondary cards.

BEST FULL-SERVICE CURRENT ACCOUNT:

Nedbank Everyday Account
Key feature: Fixed R85 per month fee covering almost all transactions.
Average annual cost: R1 136.
Average annual saving: R567.
Pros: Perfect for anybody who doesn't want to give up the features that a big bank has to offer, but still wants to save on bank charges. Free face-to-face delivery and debit order switching make changing to this account as painless as possible.
Cons: Still more expensive than other non-traditional offerings. — Thinkmoney.co.za