



New Year's resolutions – top 5 tips

MoneySmart (ASIC)

Top 5 tips to achieve your money goals in 2020

Take control of your future by setting some financial goals this year. Here are our top tips to help make 2020 your best year yet.

Make a plan for your money

What are your money goals for this year? To give yourself the best chance at achieving them, your goals need to be SMART: specific, measurable, achievable, realistic and timely. Setting timely goals means giving yourself a timeframe to achieve them.

With a SMART goal in mind, you now need to set up a plan for how you'll achieve it. For example, if you want to save \$5,000 by the end of the year, work out how much you can allocate to that goal each pay day.

Start with a budget

A budget will help you to map out your finances and work out where your money is going. Start with the essential costs like rent or mortgage, food, bills and

transport, then allocate money for any debts you're paying off. Anything left over can go towards your other money goals.

Our budget planner makes it easy to work out where your money is going.

[budget planner](#)

Home in on your savings

Having savings set aside will help cover you in case of an emergency and will also help you reach your bigger money goals. Set up an automatic recurring payment to regularly transfer money into a high-interest savings account that is easy to deposit into but hard to withdraw from.

We have lots of tips to help you zero in on your savings if you're:

- [Building an emergency savings fund](#)
- [Saving for a home](#)
- [Saving for your children's education](#)

Check out our [savings infographic](#) to see what other people are saving for and how they are reaching their savings goals.

Work out how much you need to save each pay to reach your goal.

[savings goals calculator](#)

Knock out your debts

If you want to get on top of your debt in 2020, break down what you owe into manageable chunks by prioritising what you can pay first.

Smart tip

Stay on top of your credit health by getting a free copy of your [credit report](#) and correcting any details that are wrong.

You could start by making extra repayments on your

smallest debt first. Once you have paid that off, move on to the next smallest, and so on. If you start small, by the time you get to your biggest debts you will be well equipped to knock them out.

Another option is to pay off the debt with the highest interest first.

[Financial counselling](#) is a free service you can use if you need help sorting out your debts. Financial counsellors are independent and confidential.

Take charge of your super

Make 2020 the year you get on top of your super. If your super is spread out across multiple funds, you are paying multiple sets of fees that are reducing your balance. Your super is your nest egg for your future, so why not start the year by [consolidating your super](#) into one fund so you pay less fees and grow your lump sum faster.

Smart tip

Get to know your super by checking your [investment options](#) and what, if any, life insurance your super covers.

You might also think about contributing extra to your super to grow your balance. See our page on [super contributions](#) for more on how to do this.

See how much extra contributions could grow your super.

[super contributions optimiser](#)

Invest in your future

If your debts are under control and you've built up some savings, 2020 could be the year to start investing.

Boost your investment knowledge

Never invest in something you don't fully understand; take the time to read up on the types of investment options you're interested in. Follow the golden rules and [invest smarter](#).

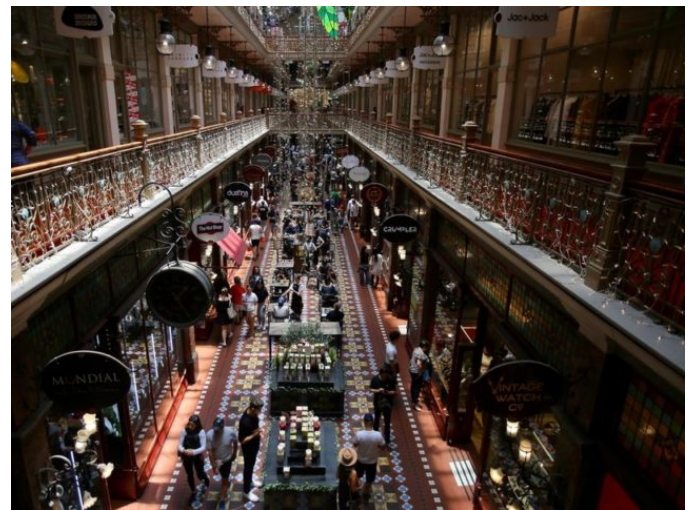
You might also consider reading money or investing magazines, or following finance and investing experts on social media.

Invest for your time frame

It's best to choose an investment based on how long

you are prepared to have your money tied up. Growth assets like shares and property that usually have better long-term returns, can be more volatile in the short term. We have guidance to help you [choose your investments](#).

Setting and reaching your money goals will help you achieve financial freedom. By putting a good plan in place and committing to keeping your money on the right course, you'll hit your target.



Consumer confidence gains on better news

Liza Kappelle
(Australian Associated Press)

Australian consumer confidence has improved after more encouraging jobs and retail news and milder weather eased the bushfire crisis.

The ANZ-Roy Morgan Australian Consumer Confidence index gained 1 per cent last week after news on building approvals, job vacancies and retail sales.

The weekly measure of consumer mood, released on Tuesday, is based on about 1,000 face-to-face interviews conducted in people's homes on Saturdays and Sundays.

The result offers hope for some recovery in consumer spending after what appears to be a very subdued Christmas retail season, ANZ Head of Australian

Economics David Plank said as the report was released.

“With milder weather seeing the intensity of fires diminish, though not by enough to present further tragic loss of life, and some better economic news in the form of building approvals, job vacancies and retail sales, it is not surprising that much of the weakness in economic conditions reversed,” Mr Plank said.



Super funds set to deliver again in 2020

Liza Kappelle
(Australian Associated Press)

Super members have good reason to be optimistic about what 2020 might deliver to their balances but they should not expect the same fat returns as last year, a research house says.

SuperRatings says 2019 was the best year for superannuation funds since 2013, with the median balanced option returning 13.8 per cent.

Despite a December sell off in local shares, funds entered the new year in a strong position, it said.

“We’re anticipating a solid year for super in 2020, but the key challenge for funds will be the low return environment,” SuperRatings executive director Kirby Rappell said.

“Even with the possibility of a pickup in economic growth, yields are extremely low and it’s getting harder to find opportunities in the market.”

He said it will be more challenging fundamentally than in 2019 because company earnings growth was slowing, and Australian consumers are under pressure.

“That doesn’t mean it will be a bad year, but super members should not expect to bank another 13 per cent.”

For people already retired, pensions performed well in 2019.

The median balanced option returned an estimated 14.9 per cent over 2019, compared to 18.2 per cent for the growth option and 8.0 per cent for the capital stable option.

There were a number of mergers in 2019 and SuperRatings expects more in 2020 as funds come together to achieve greater scale.

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