



The Australian Finance Podcast Episode Transcript

Episode: 22 ways to save and invest your money in 2022

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Episode transcript:

Owen:

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Owen:

Hello, and welcome to this episode of the Australian Finance Podcast. Kate, it's always a pleasure.

Kate:

It's good to be back, Owen for another special episode that we're trying to do again that we did last, oh, this year? I can't even remember now. It might have been last year.

Owen:

Maybe it was last year, but then most people will listen to it this year, but we're talking about next year. So we've got a lot of years that we're just jumping around with here. What we're actually talking about today is 22 ways to save and invest your money in 2022. And why are we doing this episode again, Kate?

Kate:

Well, apart from it being our most popular episode this year, our 21 ways to save and invest your money in 2021, it's a good way to just get some inspiration and think of some other things to do of your money next year, because a lot of us are setting our financial goals at the moment. You may have heard our financial goals episode last week or the week before. So yeah, it's just good to get some ideas, some inspiration. 22 puts a nice number on it.

Owen:

Yes. We do love to start and end in the same numbers. So 21 ways to save in 2021. 22 ways to save and invest in 2022. And it also happened to be one of our most popular episodes of all time.

Kate:

Yes.

Owen:

I think people loved it.

Kate:

Which was very surprising.

Owen:

Yeah. I love these things. I love the cheat sheet to doing these types of things. Last year, there were two that stood out for me. One was your parents, splitting a large coffee rather than ordering two small coffees. I mean, the key there is that you are both willing to share a drink and you both drink the same thing. But if you do, makes sense.

Kate:

It had to be someone you're COVID safe with.

Owen:

COVID safe.

Kate:

So maybe a partner not your-

Owen:

You may exchange some saliva.

Kate:

... office colleague.

Owen:

Yes, indeed. Well, we could try. So the other thing is fish fingers are a great meal just too.

Kate:

Well, I didn't say they were a healthy meal. I just said they were convenient.

Owen:

No calories. 100% good protein and fats. Must eat in 2021. And here we are. Look at us so healthy as a result of this fish finger diet.

Kate:

Yeah. I actually haven't had many fish fingers in the last six months. I moved on to crumbed fishes.

Owen:

Crumbed fishes. We were talking about this. Is it actually fish?

Kate:

Yeah. I'm pretty sure it is, but I'm sure some will be able to tell me I'm wrong.

Owen:

Yeah. Okay. Well, if we have any fish finger connoisseur or frozen fish connoisseur please let us know. Speaking of, if people want to reach out and share their ideas with us, for this list or to add to the list for next year, where would they go and do that?

Kate:

Absolutely. So if you want to share your ideas for saving and investing your money in 2022, oh, that's a mouthful, I'm going to have to get used to it, head to our Facebook community and share your ideas in there because you just never know who it might help. And even if you want some inspiration and you're like, "Oh, I want some ideas to save some money next year." Just ask in our Facebook community and there'll be plenty of people willing to help you. Owen might even chime in there.

Owen:

Oh, yes I do occasionally. I find it's easier to respond with video because there's so much I want to say in these discussions.

Kate:

Getting glimpses into his office that way.

Owen:

Yes. I actually took down the posters. So for the sharp-eyed Rask listener and community member, they may have seen some posters in the background of the office.

Kate:

Oh, I thought they were very funny.

Owen:

I thought they were hilarious. They were ordered off Redbubble. Let's just say they were not PG. Okay. So today, we've got 22 items on this list of 22 ways to save and invest your money in 2022. So they are different to last year. So what means is if you love this episode, go back and listen to that one because there were so many great things other than just coffee and fish fingers.

Kate:

I don't think I'll look that one down.

Owen:

Maybe what we can do is you go, I go with this.

Kate:

Yep.

Owen:

And we'll just chime in along the way. There are 22. So we'll try and be concise.

Kate:

Yes.

Owen:

But it's a bit of fun. So here goes. Write down your favourite ones. There is an article to accompany this, if you forget, so you can copy and paste that or share that with a friend, if you like. Kate, over to you for number one.

Kate:

Yep. So the first half are all going to be about saving money in 2022, which is very important. And a lot of us might want to be doing that after we've had a bit of a fun Christmas. So the first one is to reduce, swap, and pause your regular expenses. And that's just going through and checking all of your accounts. Anything that you've signed up for during the last year that maybe was appropriate for COVID, but maybe you don't need five streaming services in 2022 when you're actually going out and having fun in real life.

Kate:

So just to a bank account order, go through your cards or statements. Any of those apple recurring subscriptions, which I always forget about because you actually have to go into your iCloud account. They're a bit pesky. But just go through and do a full refresh and work out what you actually want to spend money on next year and just be intentional about it. Don't just let them take the money.

Kate:

And if they do, say renew your annual subscription, you go, "Oh, shit. I didn't actually want that." Send them a message. A lot of them might pro rata, give you maybe six months of a refund. Some of the big brands are just like, "Oh, whatever. We'll just give them the 12 months money back." So just have a go try and get the feedback.

Owen:

This reminds me of reduce, recycle, reuse, or reduce, reuse, recycle. It's such a good thing to do just having an audit of what you've got, just being conscious on, I guess, those things that become part of your routine, which probably don't need to be. I was just thinking, as you said, Apple subscriptions. I think I've got an Apple Fitness Plus subscription and I haven't logged into it. I did the free trial for three months. I know you use it, but I was like, "I need to set a reminder for this to cancel."

Owen:

And actually Apple sent a reminder to say your free trial is expiring soon. So easy way to do it. Another way is you can accidentally lose your bank card. And basically what happens is when your bank card gets cancelled, it resets the expiry date.

Kate:

And you get all of these emails from the different brands you forgot about.

Owen:

All the emails and say, "Hey, you. We still want you as a loyal customer, but your credit card isn't working." So that's an easy way to kind of just have a detox. And I think Christmas is a really good time to do this. I know I'm going to be reviewing who I bank with for personal banking, because I'm kind sick of... I've got a good bank, which is ING, but I'm just going to make sure that they're still competitive in the market.

Owen:

Number two is use cashback and savings websites. We're just talking about this off air. We've all heard of things like Honey, Cashrewards. There are a bunch of others and these are really popular in our community when they identified 10 ways to save. You don't use Cashrewards, do you?

Kate:

I think I used it a while back, because I've been supporting a lot of small businesses this Christmas. They don't have Cashrewards for that. And going in store, I don't know if you can use Cashrewards in store. If there's a way to implement that.

Owen:

There's probably something out there like an app. I think you could use the loyalty things like the digital wallets that you get.

Kate:
Yeah.

Owen:
They might have loyalty. I don't actually use it, so I wouldn't know, but I know a lot of people do. The cashback stuff is really popular in our community. So if you do have any tips for that, if you can use it in store, I would love to know what you think and tell us where you've used it. The one that we were talking about before, which you're now going to...

Kate:
I have installed on my browser this morning.

Owen:
Yeah, which is Honey. We've talked about this a lot. I was even using an example with the team before that I was just on a website, just ordering some flowers of all things and I thought this is never going to have any type of coupon code or thing that I could save money on. It was \$55 and up popped Honey and it said, "We found three coupon codes." I just click the button and it's like, "Here, here's the best coupon code you get." I think it was 10 or \$15 off and I got free delivery.

Owen:
So I was like, "Wow. Okay." This Honey costs nothing. So I thought that was just a huge thing. If you are ordering things online, maybe use your computer with Honey installed. Just approach it.

Kate:
Every time you talk about Honey, I always think you sound like one of those YouTube influencers just because I've heard it advertised so much.

Owen:
Is that how it's done, is it?

Kate:
Yeah, they're everywhere. They've done a lot of advertising.

Owen:
And we are not affiliated with Honey, which is now owned by PayPal. Although, I do own PayPal shares. So I am a very happy camper.

Kate:
Oh, there you go.

Owen:
If you do sign up for Honey, thank you very much. That's my only conflict there. Number three, Kate.

Kate:

Yep. So third one is using round-up up savings apps and things like... I think we mentioned this before, but things like Up... No, what am I saying? ING. They have features where you can turn on a round-up feature. Or even Raiz. That's more of an investment app.

Owen:

Yup. Raiz does it.

Kate:

Just those small change and those small amounts throughout the year can really add up, especially because we don't use cash. No one is putting the spare change in a money box anymore. So that 50 cents a dollar here and there, you're not going to miss, but it could actually add up towards maybe if you start saving for your Christmas presents next year, that's something that really easily you could use this tool to do.

Kate:

If your bank doesn't offer that feature like say on Up Bank, I might create what I did last year. I just created a bank account, like a folder, which was a savings account for my Christmas presents for the following year. And you could just set up a \$10 a week. Just a regular contribution into that account. So you actually have some more money there at Christmas time and it doesn't come as a complete shock.

Owen:

Did the bank account that you set up have an emoji?

Kate:

Yes. It was a Christmas tree.

Owen:

Okay. Kate assures me that's one of the key features of Up other than a free coffee every now and again too, which is pretty cool. And you do that with giving as well with donations and that sort of stuff. Right?

Kate:

It was a way to make it a bit more intentional having... I just love how Up has all those folders that you can create. So having one for... Even this year, I just created one for gift giving and flowers because I was doing this for friends and family on a regular basis and putting money aside for effective giving each month after we spent time talking to Peter Singer, then it inspired me to do that and putting money aside for Christmas presents.

Kate:

So when it got to that time, I actually had the money put aside and I didn't have to think about it. Then I automated all this. So it just happened magically in the background. And when it came to Christmas presents shopping this year, it was very easy. The money was there.

Owen:

So when you say automated, sometimes when you get your pay, it can be like the last day of the month, the first day of the next month, sometimes it bounces around. Does Up automatically know when money comes in and then it distributes it? Is it how it works?

Kate:

Yeah. You can set up so it recognises your employer and it will just split or distribute the money on to however you've set it up, when your pay comes in. So it can actually recognise that.

Owen:

Cool.

Kate:

Because most of us aren't getting that big sum of money on a regular basis from anybody else. So it can recognise your employer. It will say like, "Is this your employer?" And you can tick yes and then it knows it's coming in each month. I'm not sure if any other banks do that, but definitely let us know in the Facebook community if they do. But Up has been really helpful just in terms of saving and having your paycheck automatically split when you get paid each month.

Owen:

Kate is pro-automation.

Kate:

Yes.

Owen:

Dollar cost averaging.

Kate:

And it simplifies the decisions you have to make because there's so many other financial decisions we have to make. Thinking about moving money manually every month is just one that you can take out of that equation.

Owen:

Wonderful. Okay. So that was number three. Now, we're up to number four. Next in line is find a better deal on your health insurance, which is it's one of those things that you might think, "Oh, it's such a drag." But it does help. We were just talking about how we both have health insurance and we can get glasses for 30 bucks. Now, that's covered by the extras policy, not by the actual hospital cover, which is what helps you to save on tax.

Owen:

The extras is literally extras. It actually is a form of savings. So people think that the extras part is health insurance. It's actually not. It's actually that's the benefits or the savings part. The hospital cover is the actual legitimate one recognised by the government for saving tax. One final thing on this, you can have extras with someone else and hospital cover with another insurer. So you don't have to have them at the same place, which is really interesting.

Owen:

So something to keep in mind. So find a better deal on your health insurance. We are with HCF and we managed to get a great deal this year. We just started with them this year because through my partner's employer, they offered to waive the waiting periods. And they paid, if you went to hospital, the \$500 excess for private hospitals. So we were like, "Well, we just may as well go with this. It's all comparable in terms of cover." No waiting periods. I think it was a little bit cheaper too. So that was a good reason to just look at it and go, "Yeah, sure. That's really good."

Kate:

That's why it's always worth checking with your employer. Especially if you're at a larger company that they might have deals or they might have some sort of discount with a particular health insurance fund. Even some of the large American companies because they're used to including health insurance. Sometimes they include that in Australia. So it's definitely worth asking the question if there's some sort of deal or cashback they'll give you.

Owen:

So we have sometimes been a bit skating of comparison sites, but at the end of the day, they do actually have a pretty strong role to play. Like I select choices that are pro-member. iSelect makes that commission, but there are plenty of others like that. I think Finder does it too. And there's of course the government one, which is Private Health, which is the one that I tend to use.

Owen:

But if you do use iSelect, you can actually call them. And they will explain the policy to you. Why that is important is because if you have preexisting conditions, they're not doctors, they don't know your health information. But let's say for example, someone in your family had cancer or you had cancer, or you had some ongoing medical condition, you want to make sure that the new fund will cover that.

Owen:

Typically, it's like for like, as in typically if you've had a hernia operation and it's covered by your current policy, you can carry that over, but that's not always the case. So just make sure that you speak to them, if that is you, if you fall into that unfortunate bucket of having something that's ongoing. So great one. And one final point on this, which would nip in the bud, is that in Victoria, you need separate cover for ambulance.

Owen:

Now, in other states like New South Wales, you often get your ambulance cover through your private health insurance. Don't be fooled however, for thinking that, because you have private health insurance in your state, you have ambulance cover. And don't be fooled into thinking that if you have it, it covers you in a different state. You want to make sure you understand that ambulance cover is separate.

Owen:

There are reciprocal rights, I believe with a few of them. So just look on the website. I have an Ambulance Victoria membership. It's super cheap and worth it. I also have private health insurance just to put it out there,

Kate:

Yeah, and it can be packaged in. So I think with my private health and extras, ambulance is included when I last checked. But that's-

Owen:

Just be careful and just make sure that it actually covers you between hospitals as well. Sometimes there are catches there.

Kate:

It's that like private transport.

Owen:

That's it, private transport. Yeah, exactly. So that's number four. Number five is a bit of fun.

Kate:

Yeah. So considering gig economy work, I think a lot of us have changed our perceptions and ideas about work over the last two years and have thought, "Hey, maybe I want a bit of extra flexibility or I want to start putting some more money aside for that trip to Europe maybe in 2023 or 2024." So maybe if you do have a goal considering, "Hey, for six months, I'm going to work one extra day a week at a cafe on the weekend." Pretty much every cafe I've been to in the last few weeks has had a-

Owen:

Oh, it's hiring, yeah.

Kate:

"I'm hiring" sign on it.

Owen:

That's crazy.

Kate:

Maybe taking extra work on Airtasker or doing Uber Eats deliveries or renting out a room on Airbnb. These things don't have to be forever. You could just say, "I'm going to do it for six months to get \$2,000 extra for my emergency fund or to pay off this debt or to pay for this trip." So they don't have to be never ending side hustles. You could just do it to meet a particular goal.

Owen:

And obviously we're not reinventing the wheel here when we say that, if you're a student, for example, you're studying, you're doing undergrad post-grad, you are doing whatever, this is a fantastic way to pick up a little bit of cash. For those of you that are quite handy, for example, Airtask is the one you want to go with. You can go on there. You can help me put my Ikea together. You can help me pretty much do anything.

Kate:

There's a strong demand for putting Ikea furniture together.

Owen:

There is an Ikea certified thing on there. I didn't realise, I think it's just a thing that they made up, but that's what they say anyway. But Uber is another one. Uber can be a bit prickly sometimes because I mean, if you do an Uber Eat, it's not so bad, but if you're driving, obviously you need a car and you might want to think about how you finance that. It can be a more of a mouthful.

Owen:

Airbnb obviously is a fantastic way to lent out space. What's interesting about each of these three things and the reason that these three things exist in my opinion is that from an economics perspective... Let me get geeky for a second. There was all this supply. There were cars driving around the streets. There were free rooms at houses or hotels or wherever and there's people with free time.

Owen:

What we've done with the internet and that is we've enabled people to take some of that time and fulfil it with something meaningful. So I think this is a great way to add some extra value. And also it's a good thing for society to have this option available too if you need a bit of cash. Number six.

Kate:

Number six, and this is more to myself than anyone else, but actually get your tax return sorted out. If you're using an accountant, you do have a bit longer, which is what I'm doing, but I actually need to go and put all the stuff into place. I've been a bit lax on that between studies. So if you are the person like me that's been putting all of this off, actually spend some time this summer going through, if you've put off multiple years of tax returns, maybe start doing something about that this summer as well, and figure out what your deductions are.

Kate:

Even learn some of the basics of tax so you know next year what you can claim. And if you're working from home, there's additional things to know about that. We mentioned in the episodes of Jacob.

Owen:

Yeah. That's it. We did some great episodes towards the end of the financial year. Just so you know, if you're doing your tax return now, like as in the end of 2021, start of 2022, you are... I'm almost certain you'll be going from the financial year or tax year ending 30th of June 2021. So those episodes are still super relevant to you even if you're filling it out now. Just because it was published in June or July doesn't mean that, that doesn't apply.

Owen:

Those are the episodes you should listen to. Yeah. And Jacob goes into depth about office expenses, gig economy work, driving for Uber, all the things that you can claim. And this is a massive, massive opportunity for you to save money, get money back.

Kate:

Yeah. And if you are getting a tax refund, I don't think I am. I think I'm going to have to pay some tax, but if you are getting a tax refund, that's a good way to bolster your goals for 2022 and put some money in your emergency fund, paying off debt, maybe invest for the first time.

Owen:

You know what, Kate, I pride myself on understanding people's incentives. I feel like I have a good way of reading people. And isn't it fascinating that if you think you're going to get a refund, how much quicker you do your tax return than if you think you're going to have to pay money? It's inevitable either way, but it's a fantastic-

Kate:

It's probably why I've been putting it off.

Owen:

[inaudible 00:19:05] when the humans run to the accountant versus kind of drag their feet in. Number seven, which is one, it's a throwback a bit.

Kate:

Yes. I think I had to add it in.

Owen:

I think you had to throw this one in, so maybe you can chuck it in there.

Kate:

Yes. I won't mention the fish thinkers again, but having frozen easy meals instead of Uber Eats, that has been something that I've done a lot in the last year and just simple solutions that are ready to go whether you just cook a heap of bolognese and put it in the freezer or you have a

few frozen meals, one of those frozen pizzas. Just so that when you have a late night, which we might have in 2022. Who knows?

Owen:

Who know? We might get out.

Kate:

We might actually get to go out.

Owen:

No curfew.

Kate:

You get home, you're feeling exhausted. You're hungry, but you just can't be bothered. You know you've got that really cheap solution, easy, ready to go. Even our nutritionist episode having that tin of chickpeas.

Owen:

That was so good.

Kate:

Or some tuna.

Owen:

That was so good.

Kate:

I mean, that doesn't sound enticing to me on a late night after I come home.

Owen:

After you have a few drinks, tuna and chickpeas.

Kate:

Yeah. But just Uber Eats has gone up so much. The restaurants aren't getting a great cut from it. The delivery fees are more expensive. So just have a simple solution, so you can stay on track with your budget, even if it's a late night.

Owen:

One of the things that... It was Tim, right, that said in that episode?

Kate:

Yeah.

Owen:

He said that meal prep is such a fantastic way to both eat healthier and to save money. I'm going to bang on about this, but you can make something out of just simple veggies for like 2 or \$3. And it can be tasty, add some herbs and whatever. Boom, done. Love it.

Owen:

I actually was extra, extra lazy today and I got frozen veggies out of the freezer. I had some stuff left over from dinner the other night, but just the frozen veggies. Just beef out the meal that I have here in the office.

Owen:

So number eight is pack snacks for the plane when travelling domestically. This came from a community suggestion, and I can't remember the name. But it was a fantastic one and one that I have done in the past. I think this blew your mind because it's like-

Kate:

Yeah, I just never thought about it.

Owen:

I can take Maggi or Mi Goreng on the plane with me and just ask them for hot water. Simple.

Kate:

The food is already not great. So you may as well have noodles.

Owen:

Yeah. That's it. It doesn't add to your weight limit because it's literally noodles, which is basically nothing. And you actually got a note in here. It said, "Instead of paying for some overpriced peanuts when you jet off to Byron Bay, take a cup of noodles on the plane with you and ask for a cup of hot water. Bam, instant meal for a few bucks and you'll be feeling very clever." Funny thing is I am actually going to Byron Bay for Christmas and I thought classic.

Kate:

Yeah, you're going to do it?

Owen:

Classic.

Kate:

I think you need to take a photo and report back to the community.

Owen:

I would have to. Yeah. I'd have to. So I'll not buy the peanuts. Although I've got to admit, I think you know this, I'm a sucker for the Mainland cheese crackers on a flight. It's like routine.

Kate:

You can't buy them for a couple dollars at a supermarket.

Owen:

Even 7-Eleven as well.

Kate:

Yeah.

Owen:

But if I did, that would be dangerous because I'd eat them every day. So kudos to Mainland for making the perfect-

Kate:

I want to get you for Christmas.

Owen:

... cheese crackers and get me hooked. Okay. Number nine, Kate.

Kate:

Yes. Number nine is something I've mentioned before, but I did want to bring it up again because it's a great time to reflect over the summer. And that is actually spending time reflecting on the 10 things that bring you the most joy and the 10 things you currently spend the most money on writing these down and thinking how you can more align what you want to spend money on because it brings you to joy and what you're currently spending money on.

Kate:

So the common example is if you really love going out and spending time on experiences with friends and family, but you don't really care where you live, or if there's a view, you just want a roof over your head, then maybe there's ways you can save on your living expenses by living in a shared house or finding something a bit smaller. Or you don't maybe need the balcony of the garden though. I think in lockdown, we all appreciated having a business space.

Owen:

Oh, absolutely.

Kate:

And then you can adjust the spending. So you spend similar amounts of money, but you spend more in areas that bring joy to your life rather than spending money on areas that you're like, "Oh, I don't really care either way if I've got a really nice place or just an average place."

Owen:

And I think this is a thing, right? I tend to do this is I spend money and I find that if I do a reconciliation at the end of the week, I spend money frivolously on little things. At the time it sounded cool to have that extra cup of coffee or... I don't want to pick on coffee because almost

every finance person does. But we think like, "Oh, that T-shirt or that sounded good at the time." And we do that reconciliation.

Owen:

It's actually the process of not necessarily the money, but the happiness side of things. That's really important to think about. Did it actually make me any happier? There are big things in life. Like does a house make you happier? Does it not? Does renting in this particular spot make you happy? I find people when they do this exercise and I'm going to do it again at Christmas. I've already done it this year, but I'm going to do it again because it's a good time.

Kate:

It's a good thing to do this year because it...

Owen:

It changes.

Kate:

I think a lot of our priorities have changed over the last 12 months.

Owen:

Absolutely. Especially over the last 12 months. Before COVID, everyone was like, "I'm going to maybe save for a house and I'm going to do this and do that." And now they're like, "Heck, I want to get out of here. I want to go away for two or three weeks, three months, whatever." That list of priorities has radically changed for a lot of people. So now's a great time to do it. And that's number nine was 10 things. Do the 10 things, I guess, activity which available on risk education. We'll put it in the show notes.

Owen:

Number 10, which is fascinating because we've already covered it. But it's something that I think from a human psychology point of view, it just works. And that's why I find it fascinating. It's just automate your accounts. We've already mentioned it, but just getting it done, setting it up over Christmas. This is a time when you have time. It's just an opportunity for you to say, "Okay, I'm going to save this much and that's going to go straight into my brokerage account or it's going to go straight to my regular advisor." I know you did this with managed funds. You just send the money off, done. And that's been super effective for you, right?

Kate:

They even take the money on my behalf. I don't have to send it off. It's great.

Owen:

Very nice.

Kate:

Oh, very nice, yes.

Owen:

So you found the manager or the robo advisor and you've said, you put in all your information and they're just automatically doing that every month.

Kate:

Yeah. And that's helps me just because during the year, life gets really hectic as I imagine it does for most listeners. When it comes to these really good financial decisions that are going to help you in the future, you want to take out as much friction as possible and make it easy. But then when it comes to spending money and maybe doing things that might harm you in the future because you're spending money in an unintentional manner and you might have regrets for doing that, add some friction to the process.

Kate:

I've seen that work, and sometimes people put a sticker on their debit card saying, "Do I actually want this? Or maybe putting a limit in saying this year, if I'm spending over \$50 on a discretionary item, I'm going to wait 24 hours before I purchase it to actually think it through properly and avoid those impulse decisions or even avoiding situations where you could be put in a situation."

Kate:

So I know sometimes when people are trying to kill an hour waiting for their friend to meet them, they just wander through the shopping mall and then they end up buying something they weren't going to buy before. Just buying extra food. I kind of do that with food, which is why I try to avoid just waiting [crosstalk 00:26:12].

Owen:

Just loitering in the food court.

Kate:

You end up spending money. Actually, I'm going to go for a walk and explore the city for an hour while I'm waiting to meet up with my friend. I find that's a good way to avoid that impulse spending because I didn't actually need that food item or the discretionary item. I was just doing it to fill in time. So finding what your triggers are and how to be a bit more intentional. I mean, this has gone off topic from automating your accounts.

Owen:

Yeah, but it's relevant.

Kate:

But just adding a bit of friction when it comes to maybe less positive financial decisions.

Owen:

Yeah. The way I conceptualise this a few years ago, when I set up out in this finance journey was you have your jar and you can only fit so much in it. Right? So you put the big things, the most important things in first. That's that 10 things activity. The one just before this and all of those big things like your rent, your mortgage, your investing, your health insurance and looking after yourself, I think those things are the things you should be automating as much as possible.

Owen:

Then what that means is you've got the big things right. The big things just happen. All the little things that you do can just fall into place around that. So if you do end up wandering off in the food court and getting your Mako's chips, so be it. But at least the big things... Because you said this before, before we recorded, you put money aside into this fund manager and you've got the robo advisor. And without them, you probably wouldn't have done it. I think you've got those big things correct. Number 11, Kate, the final, one of our savings tips for 2022. What is it?

Kate:

So this is just a, more of a different budgeting method. If you found that the traditional spreadsheet hasn't worked for you or using even a budget account.

Owen:

Which is most people, to be honest.

Kate:

Yeah. Using a reverse budget where you... So working out on average what you spend each month, say, it's \$2,000 and then putting that money in a separate bank account and then dividing \$2,000 by 30 days or how many other days there are in the month and having that money automatically transfer into your transaction account on a daily basis. So every day you get paid 1/30 of \$2,000.

Kate:

So you don't see this \$2,000 and go, "Oh, how quickly can I spend it for the month?" And you're suddenly, it's three days before you get paid and you go, "Oh, I can't actually afford to go out." Whereas this, it kind of works a bit on your psychology. Instead of seeing that huge lump sum, you see, "Oh, I've only got a hundred dollars in my account today. So once I spend that, that's it."

Kate:

So slowly having that money automatically move into your transaction account each month. So that's quite it. There was an app that started, a company that started trying to solve this problem using this method, but I don't know if it got enough traction. I think it closed down. But I did think it was a really cool concept.

Kate:

Another thing that's worked for me this year on this topic is using Up money, which we've got no affiliation with. You can automatically split your paycheck into different things. So you might have

an entertainment account. All sorts of things like that. And then you can cover payments. So you might spend \$50 going out and you can click cover and automatically pull the money from that particular savings account in folders. Because you don't have to have a brand new BSB and account number for everyone. You can just have 20 different folders. And that works quite well as well because then you can see where the money's coming from allocated accordingly.

Owen:

That's great. Just kind of breaking up where the money is coming from.

Kate:

It's like the modern spreadsheet almost where using emojis and a clever software.

Owen:

Some people like the idea of having a spreadsheet because it helps them plan budgeting to investing to basically their life. They like to the act of having that kind of system in place, which I get. But let's be honest, I'd say for a lot of people, maybe even most people like the majority of people, traditional budgeting does not work. One of the reasons that I think it doesn't work is because we put the numbers ahead of our psychology.

Owen:

We talked about this in our interview with Morgan Housel. It's more to do with how you behave. So it's how you live your life and how you want to live your life. I think a lot of people like myself, maybe don't live as deliberately as a budget would like us to live. So we're a bit more random.

Kate:

And it's hard to fall into a specific category. I mean guarantee that if you say, "I'm going to spend \$200 on entertainment each month, you're not going to come in exactly at \$200 and then it stuffs up the whole thing."

Owen:

Yeah. So my approach is just be very flexible with your own kind of lifestyle and understand your lifestyle and what you want to get out of it. But then the other thing is if you are one of those people who are not saving right now, you are not alone. Start with 1%. Thoroughly, like we say maybe the gold standard is 20 or 30%. If you are getting super that's a bonus. But if you can get to that wonderful. But a lot of people can't.

Owen:

So don't be disheartened by that. Just take it in your stride and get 1% this week or 1% this month and just build up from there. That snowball will eventually work. The habits will take over and you'll get there.

Kate:

I think that's important. I don't know if I mentioned the goal setting episode, but it's just making that goal so small that you're almost laughing at it even if it's transferring \$1 a week to your

savings account. It's about slowly building that habit. I mean, during lockdown for me, it was just put on my runners and leave the front door each day. So even if I didn't go for a long walk or a long run, it was at least getting outside.

Kate:

I knew once I got out the store, I was actually going to walk further than just one or two steps. You make it so small that it's just laughable and then you're actually more likely to take that first step. Then you can increase it over time.

Owen:

Yeah. That's it. We don't just walk out of the door and go, "I'm just going to run the marathon now." I'll just go out just for a walk.

Kate:

Well, you, right?

Owen:

Yeah. That's what I said about having a flexible budget. So that caps off our 11 tips for saving money in 2022.

Kate:

Yes.

Owen:

Now we're going to transition to investing. So you made a good point at the start of the show that we are talking about both and they're both equally important. A lot of people, I don't want to single out the males, but I'm going to do it anyway. A lot of us like to jump straight to investing without sorting out our finances, but both of them are important. One famous investor once said to me, "You can't invest your way out of a savings mistake." So keep that in mind.

Kate:

And it's hard to invest if you don't and have any savings to start with.

Owen:

That's it.

Kate:

And your emergency fund and you've paid off debt. So there's a lot of foundations you need to lay first before just diving into the deep end, I think.

Owen:

Yeah. That's it. And you don't want to put yourself in pressure or under pressure when you are trying to be a long-term investor, and then all of a sudden you've got a credit card over on the side here that's charging you 22% or something. You want to clean all that up.

Kate:

It can be very scary to get started. So you want to alleviate all those other financial pressures before you begin.

Owen:

Yeah, absolutely. And this is a good transition into number 12 on our list, which is pick one financial topic and do a deep dive. I think this is fantastic. It could be anything. It doesn't have to be like...

Kate:

Supplies to our new and now experienced members of our community.

Owen:

Yeah. If you've listened to every single episode of the Australian Finance Podcast, well, first of all, that's amazing. But second of all, you have a lot of patience. Thirdly, I just think you could learn anything. Yeah. And that's the thing. That's what enables finance to be so interesting is that... And investing in particular is because there's always something new to learn. And if you treat it that way, it actually becomes very exciting. So you could be wanting to learn how particular industry works. You could want to get up to date with the best budgeting. Whatever the case might be, go on the hunt for good health insurance. Pick one, go into it and do it well, and then let us know.

Kate:

Then you can become the expert in your friends and family and actually start to educate them about it. I mean, I think becoming an expert on super is a really good thing. Especially as young person, you can become an evangelist.

Owen:

That's it, yeah.

Kate:

I probably could pick the better word there. And share that knowledge of super with all your friends and family, because that will be amazing for them as well.

Owen:

Yeah. When you rock up to the footy club or the netball club, and everyone's like there's the super person over there and not all heroes wear capes, Kate.

Kate:

No.

Owen:

Okay. So number 13, what is it?

Kate:

Now, similar to automating your bank accounts is setting up a regular investment plan because there's just so many decisions one can make. And whether it's just transferring \$500 every month when you get paid to a special account that you're going to use to invest once it gets to \$1,000 or \$2,000, whether it's setting up a regular contribution to a micro investing app like Raiz. Just getting started and on a regular basis because as we like to say, small bits, lots of times.

Kate:

Investing isn't just saving up to \$10,000 investing that. And then just sitting back for the rest of your life. You do want to invest on a regular basis. And if you do it on a regular basis, you don't have to be investing large amounts. The small amounts. If you have a look at the money smart compound interest calculator actually make a massive difference.

Kate:

I think we've talked about before this year in terms of super. Even just putting \$10 extra a month into your super account as a personal contribution can make a massive difference over 40, 50 years.

Owen:

Totally. That's what I was doing when I was a contractor, just chipping away at it. I've said this before on the show, I'm going to say it probably a hundred times before in this season is the MoneySmart Calculator changed my life. Once I realised how little effort I had to put in up front to get a massive reward at the end, I always thought that people that were wealthy at 30, 40, 50, 60, whatever, I thought that they always came from money.

Owen:

I always thought that, "There's no way I could get to that. There's no way that I could..." Little old me, I could save that amount of money and have a house, and be comfortable, and provide for my family, and all that stuff. Once I saw that, "Hey, I could just do like a hundred bucks a month." If I start today, this is going to have a huge impact on where I am at in 20 or 30 years.

Owen:

The punchline is, and this is something that you covered in your fire course, which is brilliant is that even if it is a hundred bucks a month, just a hundred bucks a month or a hundred bucks a week, or whatever you can afford, you don't have to do it for forever. That's the key. The key is just doing it early and getting started today. So when I say early, I don't mean in your teens. I don't mean in your twenties. I don't mean in your thirties. What I mean is little today. Just start it because that's all you need to do.

Owen:

So fantastic at number 13. Number 14, which is an episode that we've covered separately, which is dipping your toe into micro-investing or fractional investing. Both slightly different

things, but both of them are fantastic ways to start investing. Some of us are put off when we think that it's \$500 to buy one share in COMSEC or in your self-wealth or your Stake account, how much do I actually need, all that sort of stuff. Many of the modern platforms do away with that and it makes it super easy.

Kate:

Yeah. I think it's just taking that first step. You might just take that very first up and then spend a few months learning, but even just getting a Stake account as I was saying to one of our colleagues and just buying \$50 worth of your favourite company, which might be Apple or Adobe or Tesla at the moment or whatever it is just so you get that feeling of investing for that very first time. And once you've got a bit of skin in the game, it completely changes. You're actually a lot more interested in what's happening. How does this whole process work? And you start becoming a lot more interested in the world. I think even if it's just \$50, just get started and then that'll help you really be interested throughout the whole journey.

Owen:

I think this is the thing. If you do the round-up features, say, with like Raiz in this instance just as an example, you might find that you're starting with a very small balance. But then after a year that habit has formed and all of a sudden, "Hey, I've got \$500 in there. I've got \$1,000. I've got \$2,000." You can keep it in there or you can take it out and then invest it in something else.

Kate:

There's more and more platforms that allow you to start small. I mean, I can list a couple.

Owen:

Sharesies.

Kate:

Yeah, Sharesies came over from New Zealand. We spoke to Brooke Roberts, one of the co-founders. Spaceship, along with Raiz micro-investing apps. Stakes just opened.

Owen:

ASX.

Kate:

ASX. So I think they required like \$500 minimum investment, but the US platform is you can buy your \$50 Adobe shares, whatever you want. Superhero is another one that came out in the last year or two.

Owen:

Yeah. Two years ago was it?

Kate:

There's so many platforms that allow you to just get started and it's a lot less scary than having to go, "Oh, I need a thousand dollars before I buy my first ETF or share."

Owen:

For sure. So number 14 is dip your toe in with micro-investing and fractional investing. Number 15, which we've alluded to already is probably the lowest effort for highest reward thing you'll ever do with your money, and that is sorting out your super.

Kate:

Yeah. There is billions and billions of dollars of unclaimed super in Australia, just because people have had different super accounts as they've moved jobs. And that started to change now because the government's introduced stapled super. So once you've got a super account, it becomes attached to you and your tax file number and it'll follow around.

Kate:

But chances are, if you've been in a few hospitality jobs, retail jobs over the years, when you're at uni, you do have a few super accounts floating around. So head to the myGov website, link it with your... I think, it's an ATO account.

Owen:

Yeah. It's the ATO account.

Kate:

And then it will look at your tax phone number and find any of the super accounts linked to your name. Then you can research each one and choose to consolidate into one particular one that you like or just move it all into a new account because you've decided all of the ones you're in aren't very good. We've got lots of examples with a super.

Owen:

Yeah, we did that episode where we went through the PDFs of Australian super and Australian ethical. We showed you what to look for. So if you're new to super in any sense of the word, go and have a look at those episodes that were done maybe the middle of this year. We shared our screens and we showed you how we would look at super funds and all the different investment strategies just on this two things.

Owen:

One is, there's a chance you may not be getting paid super. The easiest way to check is to go into your super fund and check. Now, there is... Your employer has some discretion. They don't have to pay it every month. They can pay it every quarter, which is what we recently did here at Rask. We used to do it every month, but then as our employee numbers just got bigger and bigger and bigger, we thought, "Geez, let's just do this every quarter so it's a bit less of a headache."

Owen:

So that's the first thing to check. Are you getting paid? If not, speak to your employer. If they still don't pay you, that's legal. They have to be paying you. Even if you're not a full-time employee, you still have to get super. So you can take it up with your accountant. They'll know what to do, or you can head over to... I think MoneySmart has information on this as well. Check that out.

Owen:

The second thing is that what I hear all the time is, "Oh, I'm going to switch super fund, so I'm in the right. I'm going to get a better return. Keep in mind that the super fund itself might have 10 different options. You may not need to change super funds.

Kate:

Because you might find you're in the cash option, which-

Owen:

Yeah, that's it.

Kate:

... you might just be doing what it says on the tin being invested in cash. And that might be a reason you haven't actually performed.

Owen:

That's it, yeah.

Kate:

And you might be go, "Oh, I actually want to be in the balanced or the growth fund." All the super funds, if you're a member now, you can call them. They've got experts that you can talk to and say, "Am I in the right option? What are the other options available if you want to invest more ethically?" Or you can ask them what the fund is investing in. Is it invested in particular areas you don't want to be invested in?

Owen:

So it would be like, if you have a bank, let's just say you're with Commonwealth Bank, if we did a survey of all of our listeners, we might have people that bank with Commonwealth Bank that have 50 different bank accounts inside of Commonwealth Bank. So the point is that it may not be Commonwealth Bank that you need to switch away from, you might just need a better option from the super fund that you are already with.

Owen:

So keep that in mind before you go and switch, because you might have your insurance in there. You might have a bunch of other stuff that you can't really afford to let go of. Number 16, Kate, I'll let you introduce this one.

Kate:

Yes. Investing in your health in 2022. I think it's more important now than ever. I don't know if I've coined this phrase, but there's no point being wealthy and dead. So I'll claim it.

Owen:

You can claim it.

Kate:

So just a gym subscription isn't a waste of time if you actually use it. Spending money, going to the physio, if you've got that back, that's been causing problems for a few years and you've just never done anything about it. Actually going to the dentist and getting a checkup and a clean. All these are good things to spend money on because there's no point getting to 50, 60 you 70 and not actually being able to move and enjoy your money. You might be planning to travel in 10 years time, but you want to actually be able to enjoy the trip and not be stuck in a wheelchair.

Owen:

For sure.

Kate:

Making sure you invest in your health and wellbeing is really important. And don't sacrifice everything, including a health for your financial goals. You need to find a balance.

Owen:

I actually got up my phone for those of you that are watching this you can see. I got up my phone while Kate was saying that and I thought about this because we talked about it loosely at the retreat that we had recently. I thought we spend so much time automating our finances, automating everything else. Why not automate a self-care plan? I don't mean like the mental health plan you get from the doctor. I mean, literally just time for yourself.

Owen:

So on this list, I've created a list of psychologists, PT, getting a massage, going to the doctor, dentist, dietician. Whatever it is that's on your list. You might want to do them, structure them. I'm going to do this in 2022 where it's like, "Okay, I want to get a massage once a month." That's something I've never done before, treat myself. So I'm going to pencil them in now for the first six months. Or dentist, I'm actually going to do that. So the next time I go to the dentist, it's not a thousand dollars, \$2,000, \$3,000 once every two years.

Kate:

That's the thing. A lot of this health stuff, if you take a preventative approach, you can avoid-

Owen:

That's it.

Kate:

... getting that \$3,000 dental work down the track. And even this year, I actually went proactively to the physio because I started running and I said, "How can I not injure myself? What exercises can I do to strengthen my muscles for when I'm running so I don't injure myself? How should I be running better?" So doing those kind of things is really good. It might actually save you more money.

Owen:
That's it.

Kate:
Even in the near term as well.

Owen:
Yeah. All over. So I think that's fantastic. Invest in your health, invest in yourself. I think this is relevant for anyone. All those things that I just mentioned, you don't have to do them all. You might not be able to afford to do them all if you're a parent and you just need some time away from the kids. You might talk to your partner and say, "Hey, I'm going to go for a massage and it's only going to be half an hour, but I'm going to do that once a month and this is what I want to do."

Owen:
You can do your thing. This is what I want to do once a month. It's my time." I think that's a fantastic way to just keep yourself sane. Keep yourself enjoying life as well. Speaking of number 17 is taking Australian holiday. If you could go anywhere in Australia, Kate, in 2022, where would it be?

Kate:
Well, I have booked a trip to Tasmania.

Owen:
Oh, yes, you have. That's over Christmas though. Isn't it?

Kate:
Yeah. But in 2022.

Owen:
Okay. So what about if it's not Tasmania. I've seen that you've already booked one. Where's somewhere you've always wanted to go, but you haven't yet?

Kate:
I don't know. I have never been to Northern territory, so I think that would be quite an adventure.

Owen:
Okay. Cool. Darwin or something.

Kate:

The furthest I've got is Townsville.

Owen:

Nice. Okay. You can go a bit further north than that. There is beautiful places further north than that like Cairns.

Kate:

I just haven't managed that far, but I think next year will be the year for the Australian holiday. There are so many beautiful places to explore in our own backyard even if we're not going off to Europe or whatever. And I think the Australian businesses really need our support as well. You don't have to about getting locked out as much. Maybe you're locked out but in state.

Owen:

Maybe in WA, yeah.

Kate:

But I think it's good. Also, if you've been working nonstop the last two years, that many people have, just getting away from it all. If you can even just taking a weekend and going on a one hour or two hour regional trip.

Owen:

Yeah. Take your noodles and jump on a flight. I think it's a great thing. I mean, I've always gone to Cairns in Port Douglas because I love it. I have family in Byron Bay, which is the reason that I'm going there, but I haven't been to Noosa. So I would love to go to Noosa. I hear it's beautiful. I hear it's a little bit expensive, but I hear it's beautiful. So that would be nice. And Kangaroo Island. I've never been to Kangaroo Island in Adelaide. I've Never been to Kangaroo Island, so that would be lovely too especially to support them after the fires.

Owen:

Number 18, which is one close my heart. I had a bit of a giggle about this and also cried inside at the same time, which is give your house a facelift. I think you and I have different interpretations of facelift of a house.

Kate:

Yes. So I wasn't thinking about Owen's enormous renovation project. I was more thinking of just what are some small, simple ways. You've been in your house a lot for the last few years. Can you paint a wall? Add a feature wall, put some new pillows in. Maybe change the tabs or the doorknobs. Just some small things to make it feel a bit fresher and more alive. And they're not going to be that expensive. You can paint a wall.

Owen:

Yeah, you can.

Kate:

And do fun things like that. It doesn't have to be a whole renovation.

Owen:

I think when we moved into our house, we had a pink kitchen, a blue dining... No, a green dining area.

Kate:

It was very multi-coloured.

Owen:

A green lounge room, a purple bedroom, a blue bedroom, a blue bathroom. And it just went on and on and on. This person must have taken their own tips and done one every year for 10 years in a row.

Kate:

Feature them all in every single room.

Owen:

That's it, yeah. Feature rooms. It was every colour of the rainbow. So now it's white. I don't think we're going to-

Kate:

Yeah. You just went back to clean white.

Owen:

Let's just start from scratch. So I think this is great. You know what, I actually heard of a really cool idea, which doesn't actually cost you any money, which is just... And I'm a sucker for this. I've never done this before is just move your furniture around. So taking the dining table and maybe putting it at a different part of the room or that lamp, move that over a different part of the room.

Owen:

It's actually a creative way to make the space feel new and it's just easy to do. It's like a little thing. If you're to go down into this path, make sure you use Facebook marketplace if you want new furniture and that type of thing. So I think that's a great way to-

Kate:

Because your brain just... If it sees the same thing in the same spot every day, it just sort of blows past it. It doesn't even notice it. But if you do change things up, you go, "Oh, that's different."

Owen:

Yeah. It's like a new space. Cool. Number 19. We're coming to the end of the list here, but there are some great ones. Number 19, invest in your happiness. How would you do this?

Kate:

Yes. So 2022, pick one thing that you really wanted to do over the last two years, but couldn't because of lockdowns. Maybe you want to go ballroom dancing or hot air ballooning or...

Owen:

Do you?

Kate:

Well, dancing would be fun. I don't know, ballroom, but maybe I could try.

Owen:

Give it a crack.

Kate:

Just pick one crazy thing that you've wanted to do and just do it. Instead of putting it off again, because I don't know, the last years have kind of told us you can't put too much off. Just book it in and do it. It's about finding that balance. We save, we invest, but sometimes it's actually really great to spend some money and have an amazing experience. So yeah, do something you want this year.

Owen:

Yep, for sure. I like invest in your happiness, that 10 things activity. From further up, remember that. That's the way to go. Number 20. This is one's close to my heart and I do it every day. I enjoy it.

Kate:

Yes. That one is for you, Owen.

Owen:

Research and invest in a company that you love. So we've done the shares month in 2021, which was hugely popular in the community. Everyone told us how much they loved us talking about Disney and doing it at different levels as well.

Kate:

Sorry, guys. We'll pick a different company next.

Owen:

Year. If you have any ideas for this, we get great responses when we do the deep dive once deep dives once a month. But if you want us to do like another month of a whole company or an industry or something like that, let us know because we love it. Our analyst team loves it

obviously. But this is something you can do yourself. We have free courses on how to research investments, whether that's a company, whether it's an ETF.

Owen:

Take the free course. Learn how to do it. It could be a project. And this is what we stand for is once you learn how to do these things. You don't unlearn them. So you can do it and you can do it again, and again, and again.

Kate:

And the knowledge keeps building on itself as well. And we've got the free five parts here, investing checklist, which I believe I posted in the Facebook community before. And it's also in the Rask account as well.

Owen:

Yeah. If you have your Rask account, you'll find all of the downloads and PDFs there. Number 21, explore thematic ETFs. So this might be new to some people, but what does this mean?

Kate:

Yeah. So thematic ETF is a way you can express a view in a particular industry. So in Australia, we have thematic ETFs that invest in, "Oh, I'm going to say an example that doesn't exist yet, but what's an example? Computer robotics and technology, cloud computing.

Owen:

Hydrogen.

Kate:

Hydrogen. There we go. You might have your core ETF portfolio and you're invested in all of that good stuff, but you actually go, "Hey, I really want to invest in electric vehicles or hydrogen or FinTech companies."

Owen:

Gaming companies. Yeah.

Kate:

You might not want to pick any particular company because that's requires a lot of conviction, a lot of research, and you could go very wrong picking an individual company yourself, but you can invest in a thematic ETF for like a one to three year period to express a particular view you have.

Owen:

This is a really easy way to get started investing and have a bit of excitement.

Kate:

It definitely adds a lot more excitement to the whole portfolios.

Owen:

Yeah, that's it.

Kate:

Some of the core ETFs. What we say is these ETFs, you'll know when you see them because they'll be exciting. They'll tell things like, "The future of this, mega trend that, super cycle this." These are the thematic ETFs. The boring ETFs, the Vanguard, VAS or A200 from B shares or the STW ETF or the IVV ETF, those are your bottom drawer, ETFs. Those are the ones you stick in there and you're like, "Okay, I'll see you in 10 years."

Kate:

These thematic ETFs are bit riskier, but they're interesting and they keep investing exciting. Some people, especially older people, if I can say that, fine. When someone younger says investing is exciting, they think that it's unbecoming or a bit naive, but I think investing should be exciting to the extent that it helps you keep curious, stay curious and just enjoy what you're doing, because I think that's a really important component of long-term investing.

Kate:

And thematic ETF is a great way to get more interested in particular industries and trends. You might even realise, "Hey, I want to work in this industry." So all sorts of things that they can lead to.

Owen:

Well, the hydrogen one was really interesting. I don't invest in it, but I just thought that was an interesting one because we saw Twiggy Andrew Forrest, founder of Fortescue come out and do the Boyer. Talks about hydrogen and why it's super important for Australia to get on top of this. So that was a really fascinating thing for me. I had no idea of the difference between green hydrogen and brown hydrogen and everything else under the sun.

Owen:

So fascinating stuff. That's number 21, explore thematic ETFs. Kate big shout out for number 22 on the list of 22 ways to save and invest your money in 2022. What's the final?

Kate:

Yes. Finally, sorting out your investment plan for 2022. And this is a great thing to do December, January, February of the year. Actually working out. What do you want to invest in? Where do you want to allocate your money this year? You might not know the exact company because it's something that you research and learn about throughout the year, but how do you want to allocate your money? Maybe you're using a core and satellite approach. Maybe you want to keep building your ETF portfolio.

Kate:

Trying to just write down what your loose plan is maybe you can put some dates in like a monthly check in your calendar, some different techniques you want to try. Maybe you've heard some suggestions in the Facebook community. "Oh, I want to learn more about this." My invest plan includes things I want to learn about during the year as well.

Owen:

Oh, cool. I didn't know that.

Kate:

So it's kind of a learning and investment plan. So even just working out a way you can track it. Maybe it's something you can tick off each month. Maybe it's putting that automation into place. Just sort of bringing everything we talk about on the show together into something that works for you throughout the year.

Owen:

Yep. I love it. And if you're a Rask ETF or Rask investment member, there is a DIY investment guide in the website. So you can log into your membership and you'll see it there. It depends on which membership you have. You'll find it in the website, if you search for it. And it takes you through everything. It takes you through how you're going to manage your tax. What types of investments do you want make? Do you care about ESG? All of these different things.

Owen:

So just having a plan. You said this before in a different episode where we talked about having a plan enables you to reflect. So in a year from now, as we do this episode for 2023, we'll be able to look back and say, did the investment plan make sense? Let's go back to the drawing board and change a few things. Let's tinker here.

Kate:

And that's what I'm doing over the next month or so. I'm going back and looking at what was the plan I set at the start of 2021? Did I achieve that? I know I changed some things in the middle of the year. Was that the direction I wanted to head in? Where do I want to go next year? Is this in line with my 5, 10, 20 year plans? Do they need to change because things change. So you have to just be flexible enough and it's good to reflect. And whether you achieved it, you didn't, was there a reason why and just have a look at this stuff. By writing it down, you've actually got something to come back to and reflect on.

Owen:

It's so important to be proactive in this regard. Otherwise you just kind of investing aimlessly. It doesn't have to be something massive. So it can be on one piece of paper. It can be on a napkin, take a photo of it, put it in your notes on your phone. Send it to yourself in a message. Whatever the case might be, just put it down there and give it a crack. So sorting out an investment plan is super important. So Kate, we've done 22 ways to save and invest.

Kate:

Yes. A lot there for everyone to take away. So hopefully there's at least one thing that can help each of our listeners is in there.

Owen:

Yeah. So 22 things is great. We've done 21 last year. So by my math, that's 43. We don't like to do maths. We don't like to do maths on air-

Kate:

We get wrong every time.

Owen:

... because we get this wrong. But we've done 43. The community's probably got hundreds, if not thousands. So if you have something, if you have a secret way to save and invest, we love hearing from you. These are the episodes that are heaps of fun because they get a lot of conversations started and people can just talk about money openly and share some strategies. That one about noodles on the plane, genius. Genius.

Kate:

Yeah, and thinking about all the other places in life, like when you're going out to the movies, taking your own snacks in. I don't know if that's allowed.

Owen:

But we'll say it. If you go with someone who has a handbag or two, you might be able to squeeze something in your own pods rather than spend 10 bucks on pods at the cinema.

Kate:

It just comes back to being prepared. The place is going to overcharge you. You can come prepared.

Owen:

Even if you only do a couple of these things, like I'm going to bring it up again. I know I bang on about it, but the Honey thing costs absolutely nothing to do. It costs nothing and you save so much money. It's a no joke. I love it. But even the first one was like, "Basically you could detox your finances which means subscriptions. Cancel your card. Get a new one in a couple of days. And then that way they automatically cancel anyway.

Kate:

You can even freeze your card.

Owen:

Yeah, you can. You can lock it.

Kate:

That would probably have the same effect.

Owen:

Sometimes you can do that in your app. I know for our business account, we can just lock it from the app if we lose it or whatever.

Kate:

Maybe just do that for 30 days and see what emails do you get.

Owen:

See what falls out. Yeah. Reverse budgets, that's something new to me. The 10 things activity is a free download. It's also available, I believe in your Rask account. Just in your account page there, you'll see the PDF or in the course that Kate's done the fire course. It's there. Free download. Put the 10 things you care about that bring your happiness and then 10 things you spend money on. Draw a line between them. They might not even have a line between them because you might be spending on things that bring you no happiness. In which case, figure that out.

Kate:

Time to change.

Owen:

Yeah. Micro-investing. Compounding, sorting your super out. There is so much here. Invest in your happiness. Give your house of facelift. I might do that in 2023, if I'm honest, because I've done a lot of facelift. I've done a full like nose job.

Kate:

Yeah. You've done a whole body lift. I don't know if that's a thing, but that's what you've done.

Owen:

Yeah. And Australian holidays, it seems like you and I both got something planned on Christmas, but I think there'll be more to come next year. So much to do on this list, but it's all pretty easy. It's all a bit of fun. So Kate, as always thanks for a great year. And thanks for joining me on the Australian Finance Podcast.

Kate:

Absolutely, Owen. And thank you everyone for listening to this episode. Let us know how you go with some of these tips.

Owen:

Absolutely.

Kate:

Thanks for tuning in to this episode of the Australian Finance Podcast where our mission is to improve the financial futures of all Australians. If you'd like to learn more, create a free account

at rask.com.au/account to download free episode workbooks, bonus resources and take our amazing free personal finance courses.

Owen:

You can also join our online community by following the link in the description. If you enjoyed the show, what we'd love is for you to leave us a snappy review on iTunes, and you can follow us on Twitter and Instagram @RaskAustralia. Kate and I are also on both of those channels. Finally, if you have any feedback, suggestions for episodes or guests to come on the show, or you just have a question for us, shoot us an email at podcast@rask.com.au.