MONEY SMART WEEK
SOUTH AFRICA 2026

How to budget effectively

Don't worry, it's simpler than you think!

Whether you're dreaming of buying your first home, planning for a comfortable retirement, or just looking for peace of mind, budgeting is a necessary tool on your journey to financial wellbeing. **It's time to take control, achieve your dreams, and set yourself on the path to lasting financial wellness.**

Money Smart: The Power of Possible
Small money-smart choices can make more possible...

Calculate your net income

- This is the money you have to work with for all your expenses.
- It includes all the money you bring in regularly after deductions such as tax. It could be your salary, money from a side hustle or rental income.

Your monthly expenses

- *Fixed expenses:* These are must-pay items every month, like rent or a bond payment, electricity, insurance, and loan repayments.
- *Variable expenses:* These are costs that change from month to month, like groceries, transport, airtime, or data.
- *Discretionary expenses:* These are the extras – things you enjoy but don't necessarily need – eating out, entertainment, subscriptions, new clothes, etc.

Monthly outcome

- Calculate your budget outcome by subtracting your expenses from your income.
- Are you breaking even, spending more than you earn, or do you have money left over each month?

Things to think about

- Are you spending less than you earn?
- Is saving part of your budget?
- Does your budget align with your financial goals? For example, if you want to feel financially secure, are you saving for emergencies and protecting yourself with insurance?
- Are you happy with your spending choices, or are there areas where you could cut back or adjust?

Budgeting tips

- Making it personal: Divide your monthly net income by the number of hours you work each month to estimate how much take-home income each working hour represents.
- Before spending, ask yourself how many working hours it would take to pay for that item. Then decide: Is it worth it?
- Look at your budget and decide where you can make changes to better align with your goals.

One small money-smart choice can be a step towards something more.
Explore more Money Smart Week resources at www.bayport.co.za

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

FSCA
Financial Sector Conduct Authority

BAYPORT
FINANCIAL SERVICES

A NATION THAT WORKS FOR ALL

2030 NDP