



# Save that Taka



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For most of us, keeping track of our finances feels like a daunting task. The mere thought of maintaining a monthly budget seems like the stuff of nightmares. At the end of each month, we reach deep into our empty pockets, only to be left with an annoyingly recurrent question – where did all my money go? The ensuing frustration you feel makes you want to *almost* quit that dreadful part-time job you have – adjusting 'spreadsheets' in a dreary cubicle – but you persevere. The harsh truth is that becoming an adult requires being critical of how you spend money. Just imagine how much you could save by cutting a few corners every day. If you want to attain financial nirvana, here are some spending habits you should master:

### Understand your expenses

By now, you're tired of getting robbed of your hard-earned money within a week. Remember, the main goal of budgeting is to spend less – your expenditure shouldn't exceed your income. All of your expenses can be divided into six categories: rent, food, transport, savings, miscellaneous and luxury shopping. Every month, set aside a portion of your income as savings. If you're a student paying your own bills,



allocate budgeted rent and food expenses, with 5 percent extra to account for variances (don't you just hate it when bills turn out more than you expect?). The unpredictable costs can include anything from miscellaneous expenses to binge-buying. Nothing burns a hole in your pocket faster than binge-shopping – avoid it until after you've tackled your major expenses.

### Avoid daily withdrawals

But you simply can't resist! While it's a tempting idea to stop by the nearest ATM to pay for your latest whim, your bank account isn't Harry's vault of infinite gold coins at Gringott's – it will run out. Extract a week's worth of cash for your budgeted expenses and refrain from doing so again. This serves as reminder to think in terms of the money you can afford to spend for the upcoming days.

### Budget Apps

There are many personal finance apps available to conquer your monthly-budgeting fears. **BUDGT for iOS** is one such app that's perfect if you're a newbie at keeping tabs on your expenditure. Taking into account your monthly budget, the app tells you how much you can afford to spend every day. With **Expensify** and **Budget Buddy**, all you have to do is take a picture of your receipt/bill and the app helps you track cash outflow. With **Splitwise**, you can fast-forward past the awkwardness of having your friend split the bill using a calculator from her smartphone menu..

### Shopping habits

Keeping your expenses in check doesn't necessarily equate to a trade-off between quality and quantity. Advertisements have conditioned

us to believe that we need the best that money can buy – most often, this means branded products. With a little browsing, you can find many affordable deals on designer clothing, accessories and electronic gadgets at online stores. If online shopping isn't your thing, you could always try generic stores that offer great discounts. Before you splurge on that pair of jeans that's been haunting you since the day you first saw it, why not wait a few weeks for a sale? This way you'll be able to purchase more for less.

### Sleep on it

Sometimes, you just want to break out of your 'practical' mindset and go YOLO. Let me stop you right there.

Never make an impromptu large purchase – take a day to reconsider. That

smartphone you've been secretly pining for will still be available tomorrow. So why not sleep on it?

That way, you get to scout out alternatives with reduced prices/added benefits or even stumble upon an amazing deal at another store with an ongoing sale.

To mix things up, you could try a psychological technique to stay on track: divide your monthly income by the hours you've worked to get there. This will give you a realistic idea of how much you earn with an hour's work. The next time you decide to splurge, you'll think in terms of the gruelling hours spent earning that

amount. Then you can decide whether the satisfaction is worth the pain.

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