

#FOMO



5 Signs you're living beyond your means and what to do about it



Living beyond your means is a classic money mistake that's all too easy to make. Whether you're spending more than your budget allows or not setting aside enough money to cover your bills, when you finally notice, it can be tough to pinpoint where the problem actually began.

Thopi Mhloli, Product Owner: Savings and Investments, Standard Bank

Standard Bank's Thopi Mhloli, Product Owner: Savings & Investments, says if you're worried that you've picked up some harmful money habits, it's never too late to try and correct them. She's put together a list of signs to look out for — along with her best advice for getting back on track and ensuring your finances are protected going forward.

1. Your money's gone, but you're not sure where to

A clear sign of overspending is when your account balance is continuously lower than expected - in other words, the money's been spent but you don't know how. One way to address this is by using a budgeting app to not only help you keep track of where your money goes, but many apps offer helpful tips for cutting expenses and saving more for the things that matter.

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2. You don't have an emergency fund

Not having an emergency fund could be a sign that you're living beyond your means. Life is unpredictable and unexpected expenses can arise at any moment - from sudden medical costs to major car repairs or even job loss. An emergency fund serves as a financial safety net for such unplanned costs. If you don't have one, it may mean that you're spending all your income without setting aside anything for the emergencies. Prioritising an emergency fund can help you better prepare for financial surprises and avoid slipping further into debt.

3. Your savings have stopped growing

Making regular deposits into your various savings accounts is crucial, not only for the peace of mind it brings, but also in the event that you need to tap into your savings to cover an unexpected expense. If your savings have hit a bit of a slow patch, consider redirecting some of what you're spending on non-essentials to ensure you're saving up enough to be financially secure. It can be difficult to prioritise saving over spending money right now, but remember that saving is a long term measure to help your future self, offering financial protection and the promise of a more prosperous and stress free future.

4. You're letting FOMO dictate your spending habits

The fear of missing out is something we all struggle with from time to time, especially if we pay too much attention to social media. We're constantly faced with the curated feeds of influencers and friends "living their best lives" on vacations and at top clubs and restaurants. Next thing you know, you're on a spending spree to keep up. But instead of going into debt to keep up, why not save for the holidays, experiences or things that you want? Some banks offer notice deposit investment accounts, which allow you to make deposits from just R100 and pick a notice period that works for you. By making regular small deposits, you can watch your travel (or entertainment) fund grow into something that can finance your next dream destination or bucket list outing.

5. You're not paying enough attention to insurance

When juggling life's many demands, insurance might seem like just another drain on your finances. Instead, think of it as a personal protector, always on standby to rescue you when unexpected costs surface. A vital step towards financial stability is shielding your assets. Having this shield ensures that life's unforeseen incidents won't disrupt your finances, keeping you firmly on the path towards financial prosperity.

If you're seeing your own situation in some (or all) of the above signs – whether it's not knowing where your money is going, lacking an emergency fund, having stagnating savings, letting FOMO steer your spending or not paying enough attention to insurance – it's time to take action. Taking steps to understand your spending habits, creating a safety net for emergencies, prioritising savings, controlling impulsive expenditures and securing your future with insurance are critical parts of this process. It may seem daunting, but addressing these issues now will pay off in the long run.



If you feel like you can't do it alone, reach out to an accredited financial advisor who can advise you on the best-fit financial interventions to get you back on the right track. Whatever your approach, the good news is that it's never too late to adjust your financial behaviour and start (or reinforce) your savings – your future self will thank you for it.