

## Pay your bond off sooner: An extra R100 can save you R27 000 on a R1 million bond



**Paying more than what is required on your monthly bond instalment can save you both time and money.** In addition to paying off your balance sooner, you will also reduce your interest over the loan repayment period. By paying R1000 extra per month on a R1 million bond (at the prime lending rate of 7%) the duration of your loan could be reduced by **± 4 years**. At the beginning of 2020 the prime lending rate was 10%. Should a homeowner have continued their bond repayment at 10% (instead of dropping down to the current prime rate of 7%) , they would have been able to reduce the bond term by **± 7 years**.

However, should you not be able to pay an additional R1000 towards your bond, an additional R 100 extra each month could reduce your bond repayment period by 6 months and save you R27 000 in interest payments to the bank.

**If you are wanting to get the most out of your bond, Colin Strumpher from BetterBonds highlights 3 insider tips:**

1. **Opt for the variable rate over the fixed rate.** The fixed rate is generally higher than the base or prime lending rate and can only be negotiated once the bond has registered.
2. **Pay more than the monthly instalment on your bond.** This can shave years off your bond repayment period.
3. **Do not cancel your bond once you have paid the full amount.** Any amount you pay over and above your instalment lies in an access facility, which can be accessed at a later stage and used when desired. Accessing your bond and paying 'cash' for your second property can save you in bond registration costs.

For more information, click here: <https://bit.ly/3vVUgLK>

Article by Property 24

### What does prime lending rate mean?

A prime rate or prime lending rate is an interest rate used by banks, usually the interest rate at which banks lend to customers with good credit.



## Starbucks is turning to technology to help blind and low-vision customers navigate its US stores

The Seattle-based coffee giant is now offering free access to Aira, a service that connects visually impaired customers to remotely located visual interpreters who relay information through a third-party mobile app. By connecting with a human agent and receiving real-time assistance, customers can use Aira to find amenities in a store such as the order counter or bathrooms, read in-store menus, peruse a display case, social distance in line, and more.



**The Financial Sector Conduct Authority** has warned of a sharp increase in cryptocurrency losses among South Africans over the past three months. This is despite a spike in the bitcoin price since the start of the year. "The Financial Sector Conduct Authority (FSCA) has noted with concern the increasing volume of crypto assets (cryptos) related losses suffered by financial consumers in the past three months", the FSCA said in a statement, warning South Africans to be "extremely cautious and vigilant" when dealing with crypto.

If you suspect you are a victim of cybercrime, please contact the PW Harvey & Co team to assist [info@pwharvey.co.za](mailto:info@pwharvey.co.za)



## THIS AND THAT



- **SARS** has warned property owners "who host fee-paying guests" to declare that income on their income tax return. This seems to be directed at hosts on Airbnb, which launched in SA five years ago.
- Local retirement funds may soon be allowed to invest up to 45% of their assets in infrastructure projects, according to new amendments to Regulation 28.
- **Tesla** will become an advisor of a nickel mine in New Caledonia, according to a deal seen by Reuters. The agreement will allow Tesla to buy nickel for its battery production amid concerns of shortages.
- **Volvo** is the latest car brand committing to an all-electric future. The brand recently announced that it plans to sell only electric vehicles by 2030. Its electric cars will only be available to buy online.
- **Petrol** looks set for a hike of almost R1.20 in the first week of April. The price of Gauteng 95 unleaded petrol looks set to reach R17.48 - 25% more than a year ago. Some 35% of the fuel price will go towards tax.
- **Shoprite**, which has over 1,600 stores in South Africa, would like to see its frontline retail workers prioritised to receive Covid-19 vaccines. The retailer has made ready 50 vaccine sites across the country where Covid-19 vaccines will be administered.
- **South African salaries** are starting to grow again and have recorded a positive increase for the first time since May 2020. The nominal average take-home salary is now sitting at R15 821, up 4.7%, according to BankServAfrica. Consumer confidence may get a boost from the growth in wages.



**Happy  
Easter**

From the  
PW Harvey & Co  
Team



### Global Tastes in Luxury Goods

To rank the most popular luxury investments in 2020, Knight Frank surveyed over 600 private bankers, wealth advisors, and family offices. The following table summarizes their findings, as well as each category's growth according to the Knight Frank Luxury Investment Index.

Global Average Ranking	Category	10-year growth in asset values (%)
1	Art	71%
2	Classic cars	193%
3	Watches	89%
4	Wine	127%
5	Jewelry	67%
6	Rare whiskey	478%
7	Furniture	22%
8	Colored diamonds	39%
9	Coins	72%
10	Handbags	108%



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