



**BUILD A STRATEGY THAT MEASURES UP**  
 WEIGH YOUR HOME LOAN OPTIONS . . . AND REDEEM YOUR REWARDS

**FIXED RATES**

WHILE variable home loan rates stay on hold for the foreseeable future, the major banks continue to push up fixed-rate, fixed-term loan rates and will continue doing so over the next few months.

While variable mortgages are generally influenced by the Reserve Bank's cash rate, fixed-term loans reflect where money markets predict rates will go in the future. Because of the growing signs of a global economic recovery, the money market gurus are predicting central banks will start increasing cash rates next year. The rate rises on fixed loans are simply reflecting that view. So start stress testing your mortgage. If you would find it hard to cope with a 30-50 per cent rise in repayments, locking in part of your mortgage could be an option.

We locked in half our home loan two months ago across five, seven and 10 years as insurance against rate rises.



**LOYALTY**

Everyone loves something supposedly for nothing. It's why loyalty programs are so powerful. We all think we're getting a freebie.

The problem is that there are so many loyalty programs that it's hard to keep track of what's available and how many rewards we're stacking up. But now there's a nifty website that clears up the confusion.

Perkler ([www.perkler.com](http://www.perkler.com)) lists all the reward programs available, crunches the numbers and provides a tracking service for your individual programs.

Their research shows about half of us save less than \$100 a year because we simply don't redeem the rewards. But, according to their figures, the average Australian family should be able to earn \$4100 a year in rewards if we use the programs properly. That's a big difference in tough economic times.