

ME BANK HFCR JULY 2018

PITCH NOTE: Lead angle (Radio programs)

Subject: Financial Comfort Report: Aussie's dwindling down savings to make ends meet

(Embargoed until 12:01am Monday 6 August)

Hi xxx,

I hope you're well.

Coming to you today with a segment idea ahead of **ME Bank's 16th Household Financial Comfort Report**, to be officially released on Monday, 6 August. *(please note, the following is embargoed to 12.01am Monday 6 August)*

The story: Household financial comfort dragged down by residential property price falls and weakening labour market

- **Income:** with high levels of underemployment and job insecurity, only 36% of Australians reported an increase in their annual income during 2018/19, falling 2 points from December 2018.
- **Unexpected expenses:** across all aspects of the comfort index, Australians felt the least comfortable coping with a financial emergency, with 20% of households indicating they would not be capable of raising \$3000 in an emergency.
- **Saving and spending:** savings among households remained steady at 5.09 during the last six months, but 40% of households continue to spend their monthly income, with 10% consistently overspending their earnings each month.
- **Investor positivity:** 46% of investors expect the value of their investment properties to rise across the next 12 months, while only 9% anticipate a fall. Investors in Sydney are the most optimistic about property values (54%), followed by investors in Brisbane (50%) and in Melbourne (44%).

Interview talent

Jeff Oughton, ME Bank's Consulting Economist, is available to discuss the report findings, in particular:

- The states where the highest and lowest levels of financial comfort were found
- Why comfort in wealth had the most significant fall in the comfort index
- The factors causing financial 'worries' in households
- Household saving and spending behaviours
- Why stress for renters has increased within the last six months
- Post-Federal election impacts on property owners and investors

For further information, please see the EMBARGOED press release below (and attached). On request, we are able to provide you with the full report.

Look forward to hearing back and please don't hesitate to let me know if you have any questions.

Best,

Sophie

on behalf of ME

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