FINANCE NEWS

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KISTA Finance

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Weathering the Storm: Household Strategies for Tough Times

There is no doubt that many Australian households are entering one of the most challenging financial periods seen in almost two decades. If the anticipated cash rate increase proceeds, it will be the fifth increase since February, placing significant pressure on household cash flow. While this is the painful stage of the cycle, it remains a cycle. Storms pass. Economic conditions improve. The challenge is ensuring that our households are positioned to weather the current environment until that improvement arrives.

The priority is not panic. It is discipline, structure and resilience. Families that remain focused on practical solutions rather than fear will place themselves in the strongest possible position to minimise damage and protect their future financial wellbeing.

MANAGING EXPENDITURE: More than ever, families should clearly distinguish between needs and wants. Housing, food, utilities, healthcare, education and wellbeing should come first. Discretionary spending should be carefully scrutinised. This is not about eliminating enjoyment; it is about ensuring that short-term indulgences do not create long-term financial stress.

MANAGING THE SILLY SEASON: The festive season and school holidays create additional financial demands. Overspending often delivers only a brief moment of gratification but can lead to months of anxiety. Establish a realistic budget, communicate expectations with family members and focus on experiences and connection rather than excessive spending.

MANAGING DEBT AND FINANCE OBLIGATIONS: Review your interest rates and lending arrangements. Consider whether refinancing, restructuring or consolidating debts could improve cash flow. If you are experiencing genuine hardship, engage with your lender early. Banks are often able to discuss repayment variations or hardship arrangements, but these conversations are generally most effective before arrears become significant.

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Kista Finance acknowledges the **Wadawurrung People** as the Traditional Owners of the land and waters on which we live and work and pays respect to Elders past, present and emerging.

Important dates for the Month:

- 03Nov26 - Melbourne Cup & Vic public holiday
- 03Nov26 - Next RBA cash rate decision
- 21Nov26 - Monthly BAS due
- 25Nov26 - Qtr 1 BAS/IAS for electronic lodgers
- 28Nov26 - Victorian State Election

Save the Date: 09Jan26 - Portarlington Mussel Festival

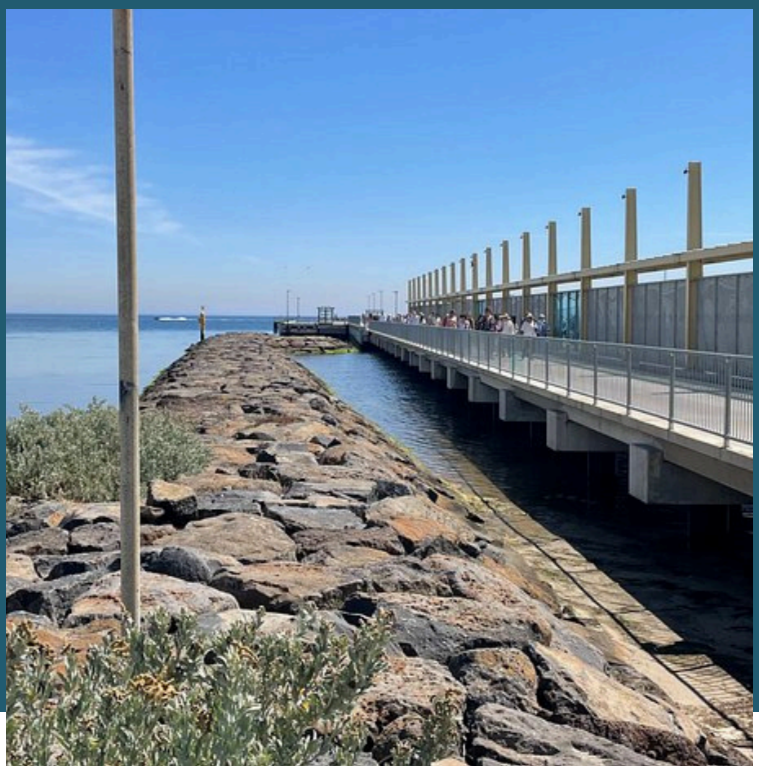
Self-Care tip for the Month.....

Don't be afraid to seek professional help

If you're struggling with your mental health or facing challenges that feel overwhelming, don't hesitate to reach out to a therapist, counsellor, or GP. They can provide guidance and support. Australia has a great free health care system, which includes a free mental care plan annually. A mental health care plan can be developed by your GP according to your needs, so don't hesitate to make that appointment.

Nov2026 - Movember

Without diminishing the importance of women's health, Movember is a great opportunity to speak up on men's health and remind ourselves to make this critical matter front of mind.



ADDITIONAL INCOME AND EMPLOYMENT: For some households, temporary additional income through overtime, casual work or alternative opportunities may provide relief. However, any decision should carefully balance financial benefits against physical and mental wellbeing. Sustainable solutions are always preferable to burnout.

DANGERS OF ADDITIONAL DEBT: Buy-now-pay-later services, payday lending, personal loans and credit cards can appear attractive during periods of financial pressure. Remember that easy access to money often comes with a significant long-term cost. Borrow only when necessary, fully understand the obligations involved and avoid using debt to fund discretionary spending.

HEALTH AND WELLBEING MATTER: Financial stress affects mental health, relationships and decision-making. Look after yourself and those around you. Seek assistance when needed and remember that asking for help is a sign of strength, not weakness.

Need vs Want Test

- Will this purchase improve health, safety, housing or essential living needs?
- Can the purchase be delayed for 30 days?
- Will this purchase require additional debt?
- Would I still buy this if interest rates increased again?

Warning Signs of Financial Stress

- Using credit cards for groceries or essentials.
- Missing or delaying loan repayments.
- Drawing down savings to meet recurring expenses.
- Relying on buy-now-pay-later arrangements for everyday living costs.

5-Step Household Survival Checklist

- Know exactly where every dollar is going.
- Reduce or eliminate unnecessary spending.
- Review all debt and finance arrangements.
- Build or preserve a cash buffer.
- Act early when problems emerge.



Joke of the Month.....

The best way to teach your kids about taxes is by eating 30% of their ice cream.
– Bill Murray

Community.....

Portarlington Greek Festival

- 01Nov26 - Congratulations to the organisers for an incredibly successful day.

Festival of Lights (Diwali)

- 06Nov26 - Deakin University, Waurn Ponds

Boost Mobile AUSX Open Supercross

- 07Nov2026 - GMHBA Stadium

Geelong Medieval Festival

- 07-08Nov26 - Geelong Showgrounds

Run4Geelong

- 08Nov26 - Geelong Waterfront

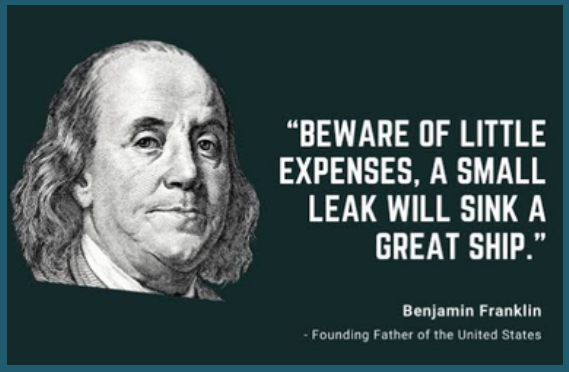
Lions Club - Portarlington Sunday Market

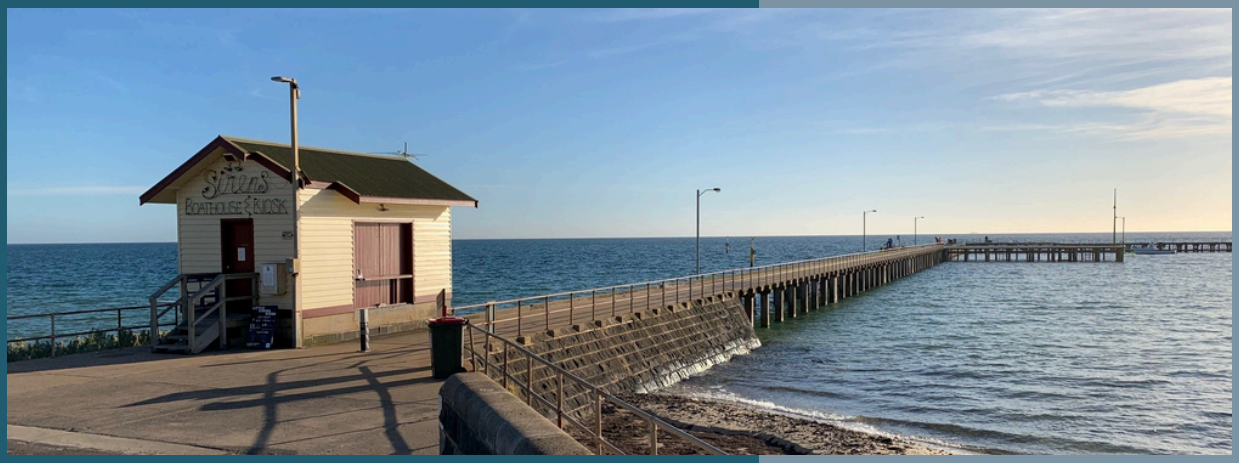
- 22Nov26 at W. G. Little Reserve, Portarlington, Victoria 3223

Queenscliff Music Festival

- 27-29Nov26 - Princess Park, Queenscliff

Quote of the Month.....





Practical Household Budget Checklist

- Review budget monthly
- Prioritise essential expenses
- Review subscriptions and memberships
- Compare loans and insurance
- Avoid unnecessary debt
- Contact lenders early if struggling
- Discuss finances openly as a household
- Prioritise wellbeing

The months ahead may remain challenging, but households that remain disciplined, proactive and positive will give themselves the best opportunity to weather the storm. Focus on what you can control, take practical action and remember: this too shall pass.

Interest Rate Outlook

The latest inflation figures have strengthened expectations that the Reserve Bank of Australia (RBA) will increase the cash rate by a further 0.25% at its meeting on 3 November.

Inflation remains above the RBA's target range, with recent data showing price pressures continuing across several areas of the economy. Higher fuel costs, persistent services inflation and broader cost pressures have reinforced concerns that inflation may take longer than expected to return to target.

While economic growth has moderated and unemployment has edged higher, the RBA has indicated that inflation risks remain a key focus. Recent commentary from the Bank suggests inflation is tracking above earlier forecasts, increasing the likelihood of further policy action.

Importantly, the major banks, including ANZ, Commonwealth Bank, NAB and Westpac, are forecasting a November rate increase to 4.85%, reflecting a growing consensus among leading economists that another rise is likely.

Looking beyond November, most forecasts suggest the RBA may then adopt a more cautious approach, allowing time to assess the impact of higher borrowing costs and incoming inflation data. While economic forecasts can change quickly, the prevailing market view is that interest rates are likely to remain elevated for some time, even if any future increases become less likely.

For borrowers, this reinforces the importance of regularly reviewing loan structures and interest rates to ensure they remain well positioned in a higher-rate environment.

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