



Money Matter\$ - 25 June 2026

By Standard Chartered Bank

Title: Getting out of a financial rut

Most of us have been there before – the credit card bill arrives, you take one look at it and you wonder how it was possible to rack up such a large outstanding balance to the point that it's almost as big as a medium sized loan that could have actually paid for the purchase of a decent second hand car.

How did it come this far you wonder and what did you spend all that money on in the first place? Gadgets? Mobile phone? Groceries when you didn't have the cash? Shopping and countless other small things that you thought you could pay off as soon as the bill came. The bill came and went and you decided to just pay the minimum this time round and settle the bill in full hopefully next month. Next month came and you still paid the minimum. The balances have rolled over and this is where it is now – a really big bill.

Where do you begin?

Being in a financial rut like this one was all in your control and there really is no other person to blame other than yourself. But rather than sitting there in self pity and giving yourself a hard time over it – or even worse, ignoring the situation – seize the moment to take control of the ugly situation by the horns and make some crucial decisions there and then to fix this problem.

Of course you shouldn't kid yourself that you will promise not to spend like it's your birthday everyday from now on. Your decisions need to be realistic in order for it to be achieved. Simply saying that you are not going to spend today is not a promise easily kept because the temptation to treat yourself every so often will always be there.

Make decisions – realistic ones

If it is a large credit card bill that has gone out of control and needs to be paid off, you will need a forced solution to this. One solution is to set up a standing instruction with your bank to pay a set amount into your credit card every month when your salary comes in. A standing instruction is an automatic transfer from your account so if you set your transfer date to match your salary dates, you will not be able to touch these allocated funds and it will be guaranteed that the money goes into paying off your bill.

Another potential solution would be to take advantage of low interest balance transfer offers. Some banks offer zero interest on balance transfers up to a certain number of months. Couple this with the standing instruction solution and you can save from being charged with interest while trying to pay off your debt.

If you are however facing larger financial troubles such as legal action for a debt gone bad, it is very important to stop denying that you have a very serious problem. The best solution at this point is to go to your bank and ask for help. Banks are very reasonable when it comes to providing assistance to restructure loans to help with lower monthly payments so instead of running away or ignoring the problem, ask them for advice. They would rather help you than proceed with further legal action which would incur legal fees and charges.

**An illness that can be cured**

Having a financial problem is something like an illness but the good thing is that it can be cured so there is always a bright light at the end of the tunnel. It is just a matter of detecting the problem early enough so you can give it medication and cure it.

Being financially responsible is indeed not a trait that all human beings are born with. It is instead a process that has to be learned and practiced all throughout life to ensure that you take care of yourself when you become an adult. However it is certainly not an excuse that you can use to explain the rut you are in.

Don't deny it

Detecting the problem early means facing up to the responsibilities that you agreed to take on when you decided to spend your money, whether it was for a necessity or a luxury. Ignoring the problem or running away from it will not help you. It will instead diminish your credibility as responsible repayer thereby potentially ruining your chances of obtaining a loan in future. It could also affect the way your employer sees you as a trustworthy individual and it could even inadvertently hurt your family or loved ones in the event that you need to seek their help financially.

Make a promise to yourself that you will solve the problem and do it sooner rather than later. There is always a means to an end and by dealing with your financial problems you can look forward to leading a more meaningful, stress-free life.

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