

# Savings

A young person's guide



# What is a ‘Saving Account’

A savings account is a type of bank account that enables customers to deposit money and keep the money safe.

Customers may have a limited amount of withdrawals every month. An average monthly balance is required in order to avoid extra charges.

Saving money can help you become financially independent and secure.



# Why save money?



To buy a house



To buy a car



To pay fees for school



To go on holiday



To have a safe retirement

# Different types of savings accounts:

*\*Interest rates vary in every country and each bank.*

- **Savings Account\***

Allows customers to save money for future needs and for a specific period of time. No minimum deposit amount is needed and you can withdraw money without giving prior notice to the bank. With savings accounts, it is not usually used for online shopping or for paying bills online.



# Different types of savings accounts:

*\*Interest rates vary in every country and each bank.*

- **Fixed Deposit (FD) Account\***

Money can be deposited in a FD account for a particular period of time and it requires a one-off deposit. The money deposited in this account cannot be withdrawn before the end of the period. Deposit accounts provide a high return on customers' money and the interest is added at the end of the period chosen.

- **Notice Account\***

Customers can deposit an unlimited amount of money and make withdrawals (free of charge but it is essential to give a specific number of days' notice).

# What is a 'Loyalty Scheme'

Banks offer a loyalty card programme to their customers in order to encourage them to use the card. This programme offers discounts, coupons and points. As a benefit for their participation, customers receive rewards.



# Advantages of a Loyalty Scheme

- A loyalty programme may give a customer free merchandise
- Rewards
- Coupons
- Makes customers happy

