

Poles have been saving in expectation of the worst-case scenario, but they are getting worse at controlling their expenditure.

The number of Poles who save money not for specific purposes with a defined deadline, but rather for a “rainy day”, to secure their future, has increased over the last year. At the same time, there is a lower percentage of Poles who declare they have their expenses under control, is the conclusion from the report “Poles’ Attitudes Towards Saving” carried out by the Citi Handlowy and THINK! Foundations.

Over a half of Poles (55 percent) declare that they save money to have a “financial cushion” as a security for a bad time. This tendency increases with age. Almost two thirds of us also declare that it is worth saving; however, the percentage of Poles who put money aside has not changed much in years – from 67 percent in 2019 to 64 percent currently. The COVID-19 epidemic has not brought about any significant changes in this respect.

According to Anna Bichta, President of the Management Board of the THINK! Foundation: *The pandemic should make us more ready to save due to the uncertain future economic situation. But it does not seem to be the case. The probability of financial problems is higher for many employers, which may translate into our professional situation. The propensity to save, however, has remained at a similar level as in previous years. This may indicate that we have a strong conviction that “things will work out somehow”.*

At the same time, as the survey indicates, this year the percentage of people declaring that they have control over their expenditures has decreased. In 2016 – 2019, this ratio remained at 74% – 76%, however over the period of last year it dropped to 66%. It is characteristic that the decrease in control over expenditures encompasses first and foremost small everyday expenses. According to Dorota Szostek-Rustecka, President of the Management Board of the Citi Handlowy Foundation: During the pandemic most of us seriously reduced our expenditures. For many, COVID-19 means loss of income, for all of us – a change in the structure of expenses. In consequence, the number of people who are not saving and are not planning their expenses has increased significantly. This is the largest change in years because the group of people who have lived “in the present” has grown in comparison with previous years by 16 percentage points. There are at least two reasons for this: lower income and prolonged uncertainty, but also partly the lack of motivation for saving. For example, such goal as saving money for exotic holidays has disappeared.

And what does the planning of our expenses during the pandemic look like? The percentage of people making long-term plans has dropped slightly, but so has the percentage of those declaring short-term planning of expenditures (maximum one month in advance). Most importantly, the number of those that do not save and do not plan has gone up considerably (at the moment 40% of Poles are in this group, which constitutes an increase in comparison with previous years by 16 percentage points). This may be the effect of uncertainty experienced, loss of part of income, but also – limited ability to fulfill plans. If expenses for which respondents had previously saved included e.g. travel, participation in culture, entertainment, they ceased to be on offer to a significant extent and it is difficult to predict when such activities will be available again. This might have reduced the motivation to save and plan.

Saving and investing are extremely important from the point of view of our financial security. How can we save regularly and... more? Regularity and beginning to build up capital at an early stage is of key importance, mathematics and the power of compound interest will then work to our advantage. This amount should be put aside immediately after the salary is received and should be treated as part of fixed expenses, it is a good practice to save 10% of our salary or such amount that we can afford at

*the time. It is worth investing the saved funds so that the savings are protected against inflation. Banks suggest simple solutions that will help us save consistently, such as for example setting up a standing order which will build up our financial shield every month , says **Maciej Pietraszkiewicz, Head of the Investment Advisory and Mutual Funds Bureau, Citi Handlowy** .*

The full survey report is available [at](#).

Media contact

Dorota Szostek-Rustecka, President of the Management Board of the Kronenberg Foundation at Citi Handlowy, phone: 667 635 427, e-mail: dorota.szostekrustecka@kronenberg.org.pl

Zuzanna Przepiórkiewicz, tel. 667 635 432, email: zuzanna.przepiorkiewicz@citi.com