



ON BUYING A CAR

- Shop around for a car that is reliable and meets your needs. Do some research and ask for advice from family and friends
- If you decide to buy a used car, get a trusted mechanic and PUSPAKOM to first inspect the car
- Consider the resale or trade-in value of the car, should you decide to sell it later
- If you decide to apply for a loan, shop around for a package based on your affordability. Find out what is the effective interest rate you will be paying
- Work out the budget based on your monthly income. Take into account the monthly instalment and related running costs such as petrol, toll, parking fees, other expenses like road tax, insurance and regular servicing
- Try saving more cash for the down payment and apply for a smaller loan with a shorter loan tenure. The longer the loan tenure, the more interest you pay. In addition, applying for a longer loan tenure may not work in your favour should you decide to sell your car as the value of your car may be lesser than the outstanding loan amount
- Do not use your credit card to pay for the down payment as doing so would mean getting yourself into a loan with high interest rates
- Be prepared for unexpected expenses to cover repairs in case of a breakdown or an accident. It is advisable to know the availability of spare parts and the costs to replace them
- Ensure that your car is adequately insured. There are two main types of motor insurance: comprehensive and third-party coverage

