

What's the best buy?

Karim is looking to buy a brand new laptop costing £1,000.

1. Explain the pros and cons of each type of borrowing.

2. Is there one best borrowing finance option for Karim?

3. Are there alternative ways Karim can get a laptop?

A. Buy now, pay later!

Take this laptop home today and pay for it in 3 instalments over a three-month period

If payment is late a £200 charge will be added and late payment will affect your credit score

Total payable if paid on time = £1,000

Total payable if paid late = £1,200

B. Only pay £200 now!

Then 12 monthly payments of £77.95
29.9% APR

Total payable = £1,135

C. It's yours for £700 today

Then only 6 monthly payments of £35.81
25% APR

Total payable = £1,020

D. Only pay £200 today!

You'll then pay just £48.91 monthly for
24 months
39.9% APR

Total payable = £1,373