

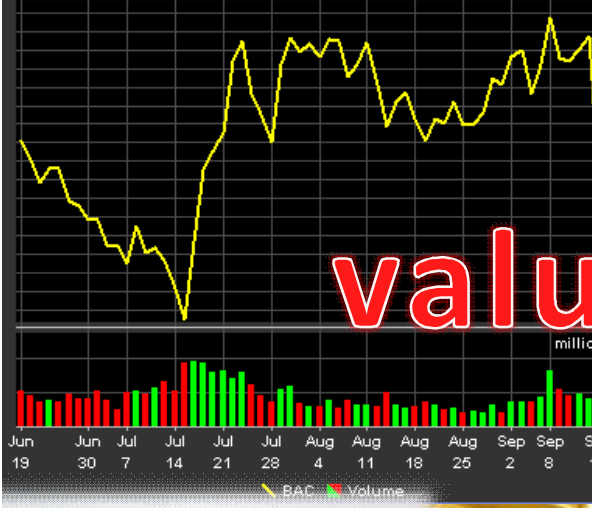
WOMEN MANAGING MONEY



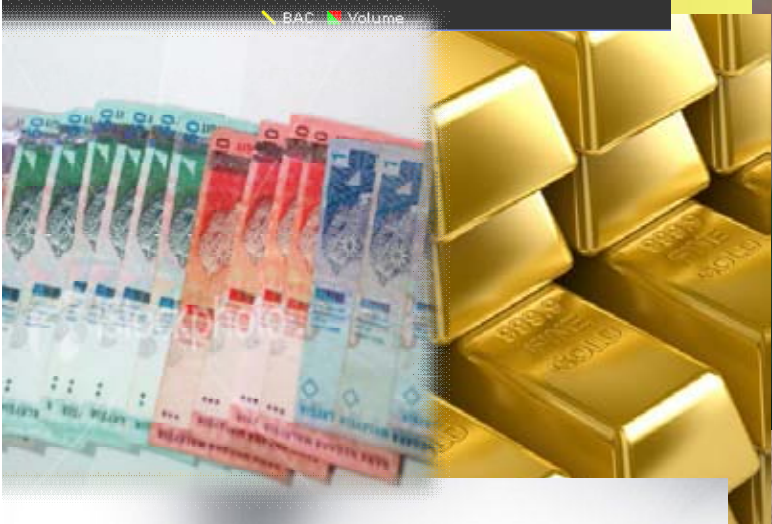
What is your concept of money?



BAC - BANK OF AMERICA CORP. - 3 Months - Daily



We equate value of money with



Your Unique Financial Situation

What are your challenges
in **money management**
and **financial planning**?

**Your Financial
Expectation?**

What is your life about?



Lifestyle or Life Purpose?

**Your definition of
"Life"**

perceptions & expectations
in different life stages

*... other than having blissful marriage,
dream house, lovely children,
enjoyable lifestyle & comfortable retirement*

Human Psychology

- **Certainty, security, safety** – in control, feel powerful, dislike fear, failure, crisis & disappointment.
- **Self esteem** - being significant, feel special & unique, recognition, feel good, ego & pride, self improvement, happiness, dislike stress.
- **Like choices & surprises** – variety, nice things, enjoyment, fun, excitement and thrill.
- **Connection, relationship, love, friendship** – don't want to get hurt, don't like to be disliked, want intimacy, appreciation, support.
- **Contribute to people** - society, family, helping others, charity for self actualization, feel purposeful, being meaningful.



Your thought patterns lead to making financial decisions that are based on:

- Past experience about life, career & money
- Knowledge (literacy, education & information)
- People, peer influences and upbringing
- Objectives and goals in mind
- Values and belief system
- Skills and attitude
- Culture, religion and ethnic background
- Emotions, habits and behaviors



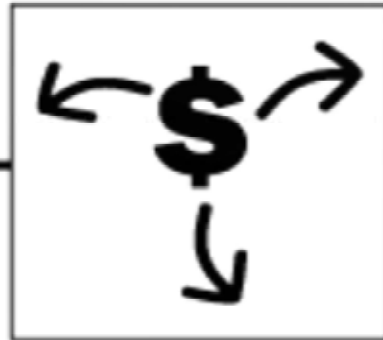
Making sense about managing money and building financial wealth

It is about being
**logical, wise, good judgment,
financially literate and
understanding the application of
financial technical terms**

Your Money Skills Process



Income



Expense



Asset



Liability

Knowledge & Skills

**Your definition of Income,
Expenses, Assets and Liabilities**

Application of Financial Interest Rate

Interest **INCOME** from:

Savings and fixed deposit

Interest **EXPENSES** from:

Personal loan

Housing loan

Car loan

Credit card



Power of **compound interest** for your savings

Save \$10 CONSISTENTLY every month

Table 1				
Interest Rate Options				
No. of years	5%	7%	10%	12%
	\$	\$	\$	\$
10	1,553	1,730	2,048	2,300
20	4,100	5,209	7,594	9,893
30	8,323	12,200	22,605	34,950
40	15,260	25,248	62,340	117,648
50	26,686	54,480	273,244	390,583

Note: The figures are estimates only and will change subject to variable changes

You save on a ONE TIME only basis

Save a one-time \$1,000

Table 2				
Interest Rate Options				
No. of years	5%	7%	10%	12%
	\$	\$	\$	\$
10	1,755	2,105	2,753	3,281
20	2,984	4,280	7,300	10,366
30	4,986	7,612	17,450	29,960
40	8,248	14,974	45,260	93,050
50	13,560	29,457	227,390	389,002

Note: The figures are estimates only and will change subject to variable changes



Your Financial Plan that supports Your Life Goals



Your Personal Financial Action Plan (include your family)

- a. Cash Flow Statement
- b. Net Worth Statement
- c. Debt & Loan Management
- d. Insurance Planning
- e. Investment Portfolio
- f. Taxation Planning
- g. Retirement Planning
- h. Estate Planning – writing will & Trust

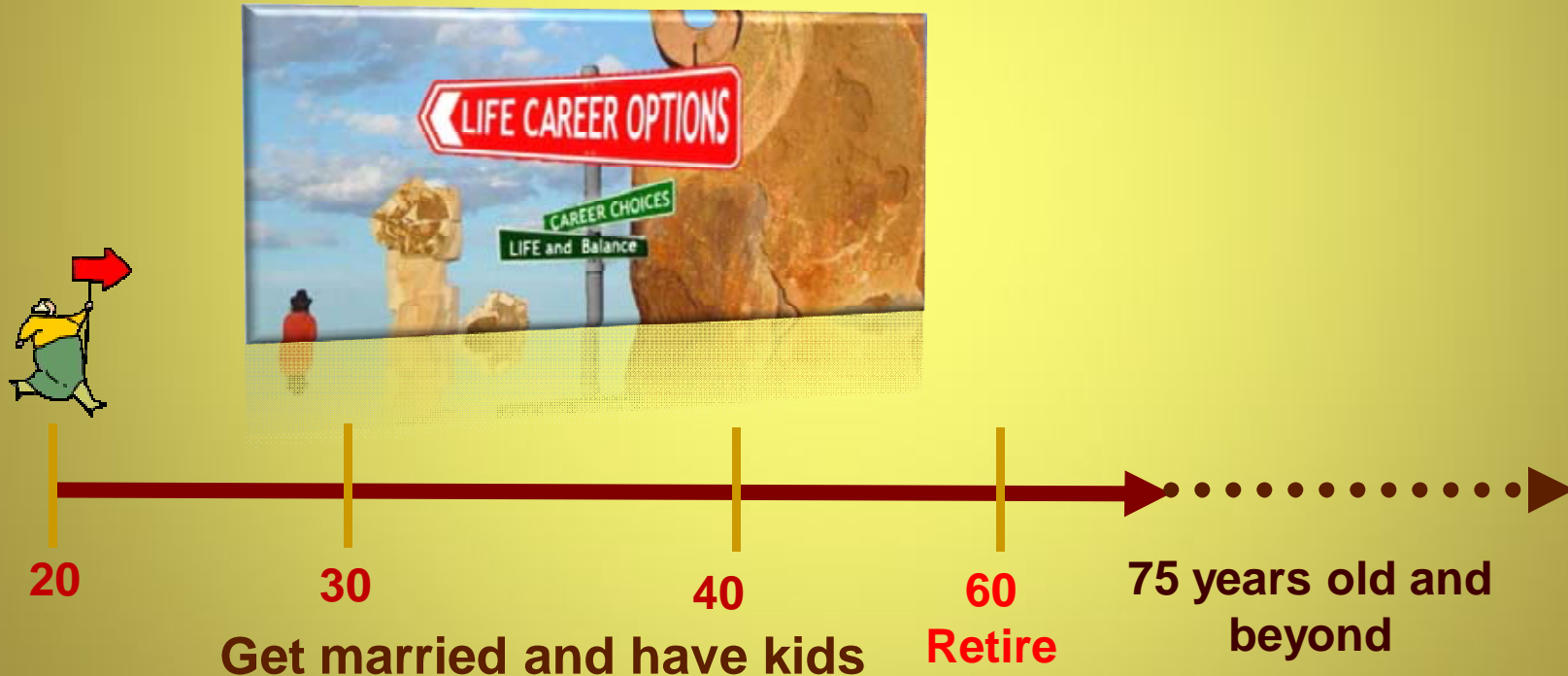
Money is an emotional thing

It creates Happiness, Excitement,
Sense of Power, Status, Stress,
Depression, Sadness, Disappointment,
Fear, Greed, Revenge, Abuse, Anger,
Low Self-Esteem, Bad Reputation,
Embarrassment, Envy, Bankruptcy, Crime,
Corruption, Broken Relationship & Family,
Divorce, Suicide!



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What happen if you run out of money and savings?



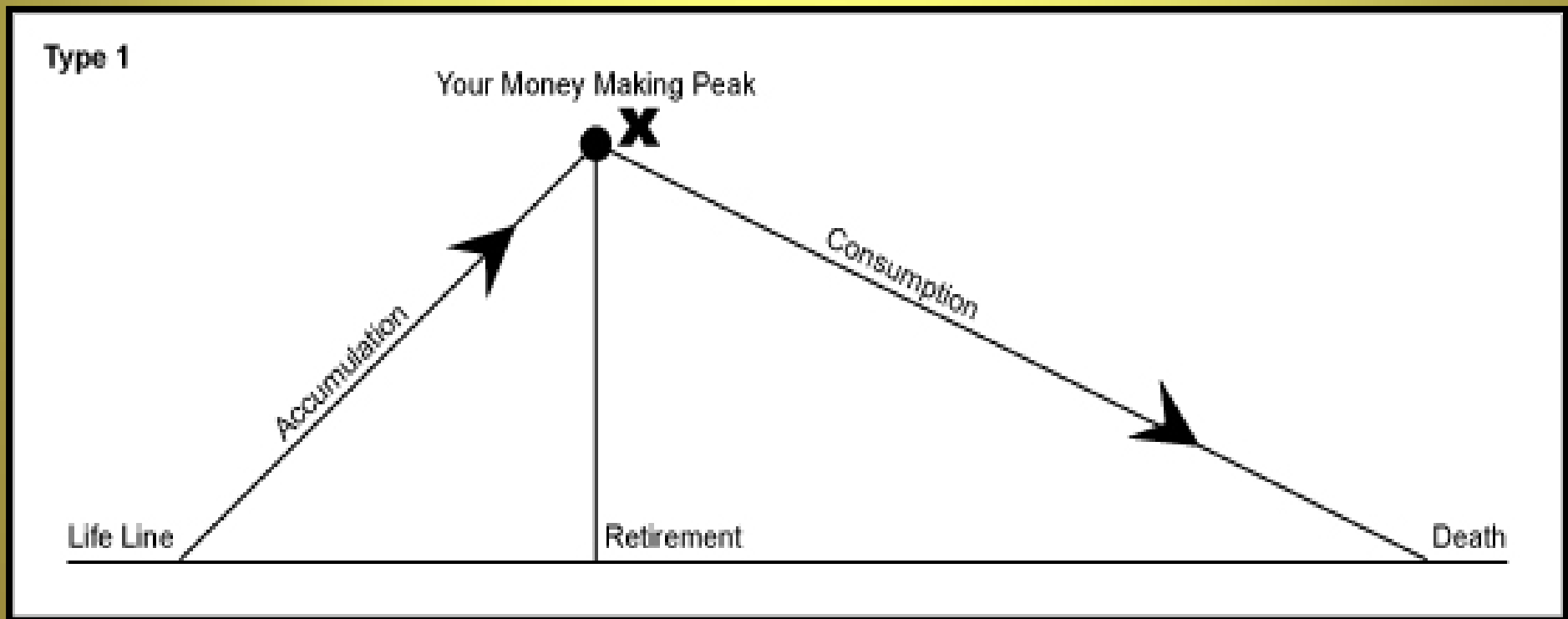
When do you want to retire?



Have you crafted your
financial nest egg for it?

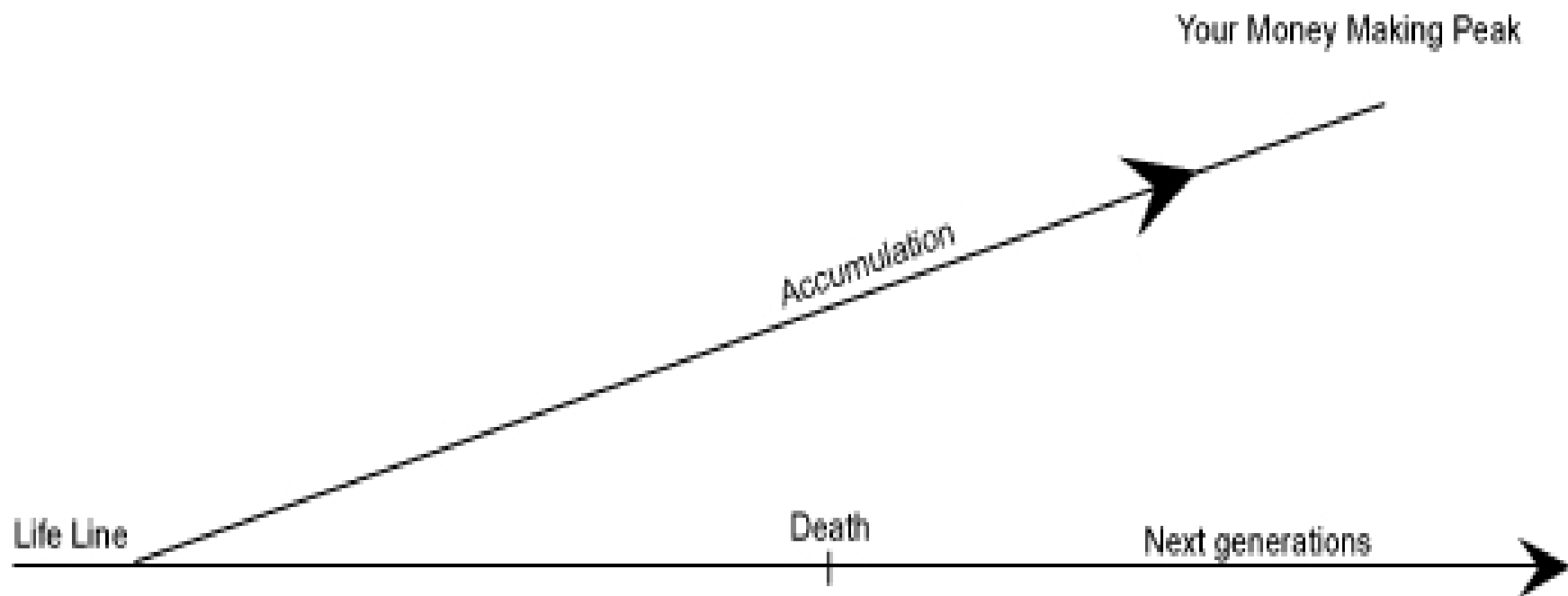
Your Retirement Triangles

You enjoy a **longer** retirement period compared to your working years.

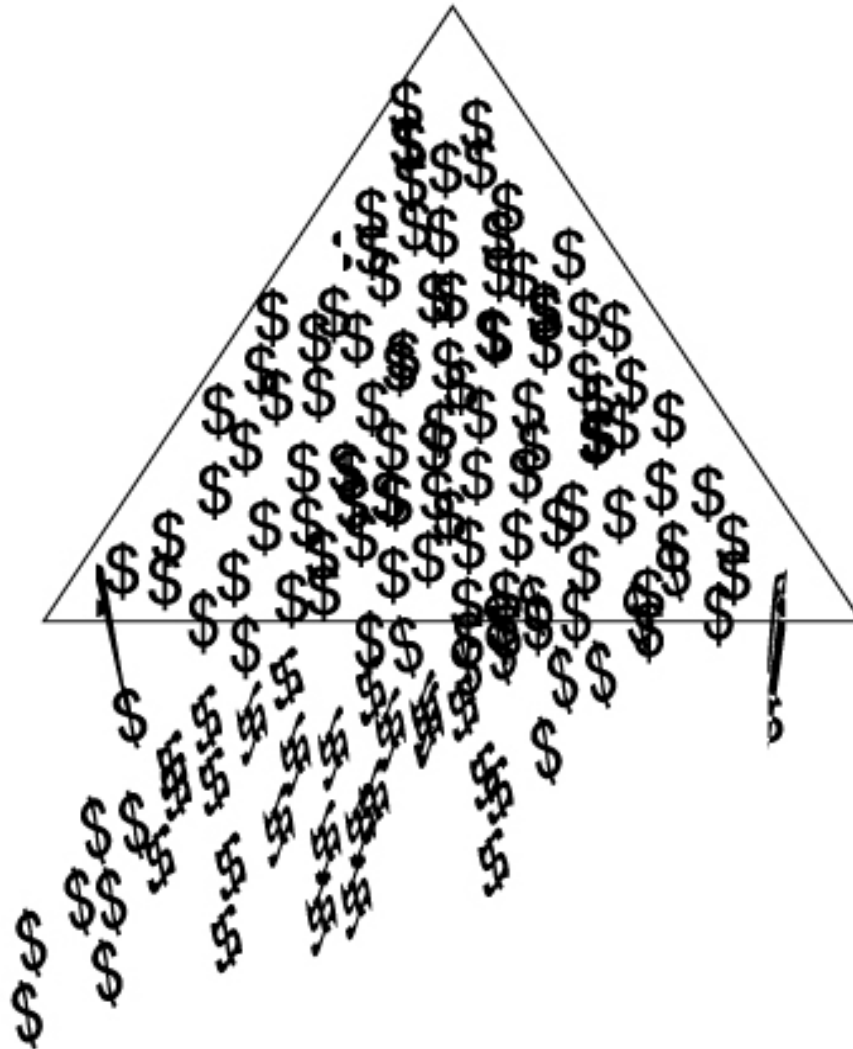


YOU CAN RETIRE **ANYTIME** and yet you do not have to worry about your money.

Type 4



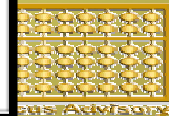
Your Retirement Triangle with Leakages!



Some of the leakages in life are **not predictable & uncontrollable** but some are within your control

Relate to your

- **personal life**
- business & economic
- **natural or man-made disaster**



Retirement Fund of \$970,000

Monthly saving = \$1,700
Investment return = 5%
minus inflation rate = 3%
Net investment = 2%

Retirement Fund of \$970,000
continue to be invested at 5%
Inflation rate = 3%
Net investment = 2%

**25 years to
accumulate wealth**

**Spending income of
\$3,000 monthly
(inflation adjusted will
be \$6,300)**

At age 35

Retire @ age 60

Age 75

Note: The figures are estimates only and will change subject to variable changes

Begins with
Your Mindset
Life Purpose vs Lifestyle

"Life is short"

"I want to give the best for my children"

"No Money No Talk"

"My family is important to me"

"I only live once"

"No Money, No Talk"

"Spend now & worry later"

"Save money for rainy days"



Personal Mission Statement



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Human Needs
& Life Values

Transition from
child to adulthood
and aging

Family, Relatives
& Friends

Internet &
Advertisement,
Media

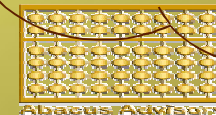
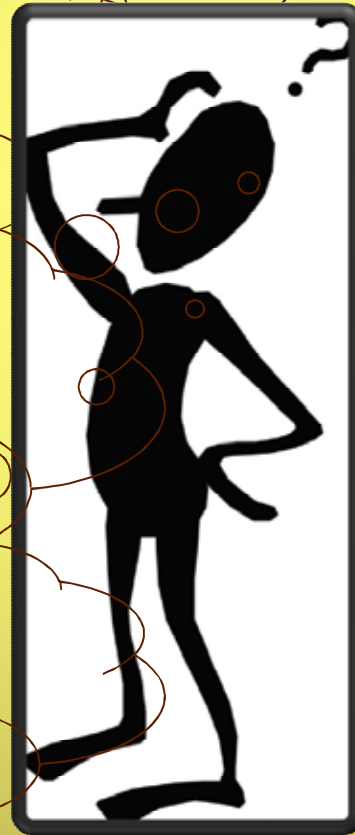
Religion, Culture
& Traditions

Living
Lifestyles &
Consumerism

WORLD
GLOBALISATION &
CLIMATE CHANGE

Source of
income: Career
& Business

Identity &
Roles as a
Person



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The brain receives information of **Needs vs. Wants**

via

5 senses

Auditory, Visual,
Smell, Taste, Touch

6th sense

Self-Talk,
Gut Feel, Intuition



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*Types of spending
(impulsive, compulsive spending)*

Emotional Spending

Irrational Thought Spending

Influenced Spending

People, Environment, Advertisement

LEAD TO OVERSPENDING BEHAVIOR

Saving Strategy

- a. Saving of money has to be an **automatic habit**.
- b. Save more than necessary. **Money not spent is saved**.
- c. **Review savings regularly** as life stage changes – *e.g. single to married, married to divorced, becoming a parent (or single parent), employment to retirement, employee to business owner*
- d. Even in retirement, continue saving money by **spending wisely**

Your poor investment skills...

Due to past experience?

Due to lack of experience?

Due to lack of knowledge?

Due to lack of skills?

Due to upbringing?

Due to influence?

Due to greed?

Due to fear?

Due to ignorance?

Due to insufficient money?

Due to lack of financial literacy?

Due to too many choices?

Due to lack of interest?



*Types of investment attitude
(impulsive, compulsive investment)*

**Emotional Investment
Irrational Thought Investment
Influenced Investment**

People, Environment, Advertisement

**LEAD TO INVESTMENT FAILURE
LOST CONFIDENCE, HAVE FEAR,
MORE GREED**

Type of Investment Product:

a. You know

b. You like

c. You want to invest

What kind of investment products
you feel comfortable with?

Scenario 4



Income



Assets

produce



pay



Expenses



Liabilities

**You want
to be here**

DEBT-FREE
means NO
Liabilities
But Assets
Only!

In Summary

Your
Life
Purpose &
Financial
Goals

Your
Financial
Planning
Process

Your attitude,
behaviors &
knowledge
on financial
matters

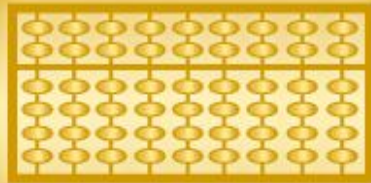


**Your Personal Financial
Blueprint**



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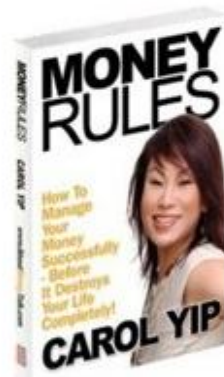


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The Abacus Academy ... nurturing personal money intelligence

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Learn money skills you need to achieve financial freedom!



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Carol teaches you how to take charge of your Money Self with effective Money Rules

The Abacus For Money team headed by Carol Yip, a certified financial coach, consultant, advisor and trainer, specializes in coaching and educating individuals of all ages and all walks of life to be **Smart Money-Users**.



Unlike conventional financial planning, we provide financial advisory services, keynote presentations, training and workshops that are designed with the application of human psychology into money matters. This unique training approach helps people to improve their behaviour and attitudes towards money and helps them achieve emotional happiness, giving them a sense of security and putting them in full control of their financial future.

Carol Yip's books are available in bookstores throughout Malaysia & Singapore!



Dear Carol, I am a young lady living in Singapore. I felt 'lost' one day feeling like I've mountain of debts and did not know what to do. I went to the bookstore, and among the tonnes of books on money, wealth, managing finance - I find 'MONEY RULES' book was delivered in the most down to earth and non-hard selling way. And it relates to me better because there are an overdose of USA books that has not much Asia context - **Mitchel Quek Singapore**



Family Money Rules: the spoken and unspoken words about money

The 10-minute movie clip below exemplifies the need for all of us to know the importance of how our family and social backgrounds affect the way we see and utilize money in our daily lives.