FROM FINANCIAL DEPENDENCE TO FINANCIAL INDEPENDENCE IN TIMES OF CRISIS

Before we begin...

- I am excited to be joining you today to talk about Financial Independence
- I believe strongly in the connection between mind/body/soul and finance
- I am not providing financial advice - I am providing financial education
- Everyone's financial situations are different, so some things may or may not apply to you
- We have a Q&A at the end and I am excited to hear your thoughts & questions!

RAJ RAMAN
WALLETWIZ FINANCIAL LITERACY

THERE IS

GLOBAL UNREST

IN REGARDS TO PERSONAL FINANCE DURING COVID-19

People have been worried about reduced income, savings, job security, investment portfolios and have overall negative sentiments on personal finance during the global pandemic.

Source: https://www.mckinsey.com/industries/financial-services/our-insights/a-global-view-of-financial-life-during-covid-19#

Presentation Outline

TOPICS FOR TODAY

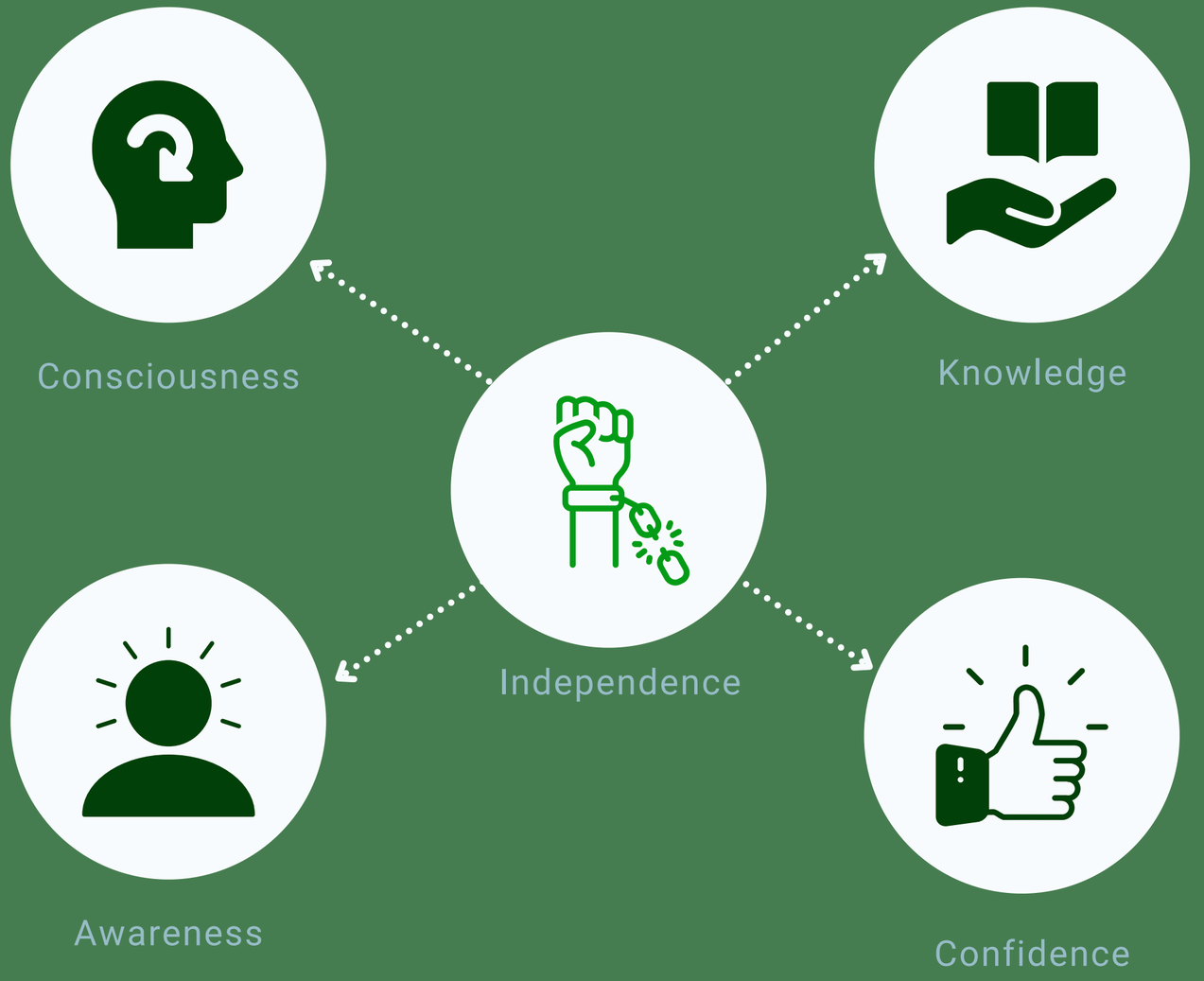
- What is Financial Independence?
- Positive Mental Financial Approaches & Attitudes
- How to Achieve Financial Awareness
- Risk Management & Fraud Prevention
- First steps towards Financial Independence - Adjusting your financial approach in times of crisis

INDEPENDENCE IS FREEDOM

“Freedom cannot be bestowed — it must be achieved.”

ELBERT HUBBARD

What is Financial Independence?



Steps to Financial Independence

1

CONSCIOUSNESS

Make a conscious decision to be in control of your financial situation, and not let your situation control you.

2

KNOWLEDGE

Learn and be informed of personal finance systems and the way they work.

3

AWARENESS

Be aware of all aspects of YOUR financial situation.

4

CONFIDENCE

Once you follow steps 1-3, have confidence in yourself to make financial decisions.

Positive Financial Approaches & Attitudes

"CONSCIOUSNESS"

- Personal Finance is not a "One Size Fits All"
- Your Financial "Attitudes & Approaches" will heavily impact your financial situation
- **Approaches** refer to your personal finance strategy
- **Attitudes** refer to your mental state

Financial Approaches

CUTTING COSTS

Adjusting your lifestyle, budget, and priorities to increase your cashflow by cutting down your costs

INCREASING REVENUE

Finding ways to increase your revenue, through working more, diversifying your revenue streams, investments etc.

Financial Attitudes

TIPS TO MAINTAIN POSITIVITY

PRIORITIES

Treat your financial health as a part of your physical and mental health. One can not exist perfectly without the others.

GOALS

Focus on a goal based strategy for your finances. You should know what you are working towards in the short, medium, and long term

FULFILLMENT

Ensure that your financial endeavours and goals help you achieve fulfillment. Don't make financial decisions based on external motivation.

MENTAL HEALTH

Focus on building a positive relationship with money - one that does not cause you stress, anxiety, or nervousness.

RISK TOLERANCE

Understand and operate within your risk tolerance. Don't put yourself through unnecessary stress due to society's pressures.

FINANCIAL INDEPENDENCE IS NOT THE
PURSUIT OF MAKING MORE MONEY...

IT IS ABOUT MANAGING WHAT YOU ALREADY HAVE

IF YOU ARE NOT ABLE
TO LIFT 30 LBS

HOW CAN YOU EXPECT
TO LIFT 100 LBS?

Achieving Financial Awareness

"KNOWLEDGE & AWARENESS"

- Learn **WHAT** to be aware of
- Learn **HOW** to practice awareness in your personal finances

What to be aware of...

BUDGETING

- Assess Needs & Wants
- Adjust for changes on a monthly basis (changed or eliminated income)
- Monthly cashflow
- Monthly net worth

DEPOSITS & BANKING

- Bank fees & conditions
- Access fees and conditions
- Account interest rates & terms
- Opportunity cost of money

CREDIT & DEBT

- Loan/mortgage/credit card rates, fees & terms
- Life of active loans
- Credit history & active files/accounts (also protects against identity theft)

INVESTMENTS

- Investment yields and returns
- Net return after fees, taxes, and inflation
- Investor Profile

Investor Profile

INVESTMENT KNOWLEDGE

INVESTMENT PURPOSE

What are you investing this money for? What do you hope to do with this money upon "cashing out" your investment?

TIME HORIZON

How long do you intend to keep this money invested? What situations could lead you to have to withdraw these funds earlier than that?

RISK TOLERANCE

How much downside risk can you comfortably tolerate? At what point would your investments cause you to lose sleep?

Protecting Your Wealth

"KNOWLEDGE & AWARENESS"

- Risk Management
- Insurance
- Fraud Prevention

Fraud Prevention

BILLS/DOCUMENTS

- Always check receipts, bills, statements etc. for discrepancies
- Keep track of spending through physical receipts, banking/budgeting apps, or manual recording

CREDIT REPORTS

- Order a credit report at least twice a year - look for open credit reports, inquiries, collections etc., and check for identity theft
- Check credit history quarterly

PHONE/DIGITAL SCAMS

- Do not fall for scams over the phone or via email, whatsapp, social media etc.
- Double check with friends if you receive money-based requests
- Don't engage in phone conversations or emails - call your bank, revenue agency etc. on your own - even for access issues

In times of Crisis...

RE-ASSESS YOUR FINANCIAL ATTITUDES & APPROACHES

Make a conscious effort to assess your financial attitudes, approaches, and be in control of your finances.

UPDATE YOUR KNOWLEDGE

Ensure to stay up to date on all personal finance concepts that are relevant to you - always continue learning

BE AWARE OF YOUR FINANCIAL SITUATION

Assess your needs & wants, understand and know all the money coming in and all the money going out in your financial situation

PRACTICE RISK MANAGEMENT & FRAUD PREVENTION HABITS

Focus on protecting your wealth and ensuring that you have a stress-free relationship with money!

THANK YOU!

Q&A

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