

# Investing savings via hard work

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FINANCIAL literacy is not rocket science, said a top financial literacy trainer who made his first investment at age 12 and started investing in individual stocks at 21.

Rather, being financially savvy is about taking ownership of one's finances and being independent, said Seow Chin Juen, now 24 years old and a final-year economics major at Singapore Management University (SMU).

Mr Seow said his parents instilled in him the value of hard work and independence.

"If you want something, you're going to have to work for it," he said.

From a young age, his parents also emphasised the importance of savings. "They would warn me that the world is a volatile place so I need to have enough savings to tide through difficult times," he said.

The first investment Mr Seow made at age 12 was upon the encouragement of his father. He invested savings of around S\$5,000 into an NTUC mutual fund. He is still holding onto this investment till now, which is worth about S\$9,000. In between completing his National Service and entering university, Mr Seow would take up part-time jobs to earn extra income. This involved either tutoring or doing surveys for companies. He even worked as a warehouse assistant earning S\$6 per hour.

His habit of saving allowed him to acquire enough capital to begin investing at 21.

Mr Seow bought his first IPO, Croesus Retail Trust, in May 2013, after a tip off from his aunt. "She told me I could earn some quick profit by flipping it right after trading starts," he recalled.

He paid around S\$9,000 for 1,000 shares. He did exactly what his aunt had advised and quickly flipped it for a S\$200 profit.

But the same strategy did not work for another IPO Mr Seow subscribed to in May 2013, Asian Pay Television Trust. He lost S\$200 as the trust's price went down at the opening bell.

"My first trade gave me the wrong notion that IPOs would always go up on the first day of trading. Losses do teach you more than gains," he said.

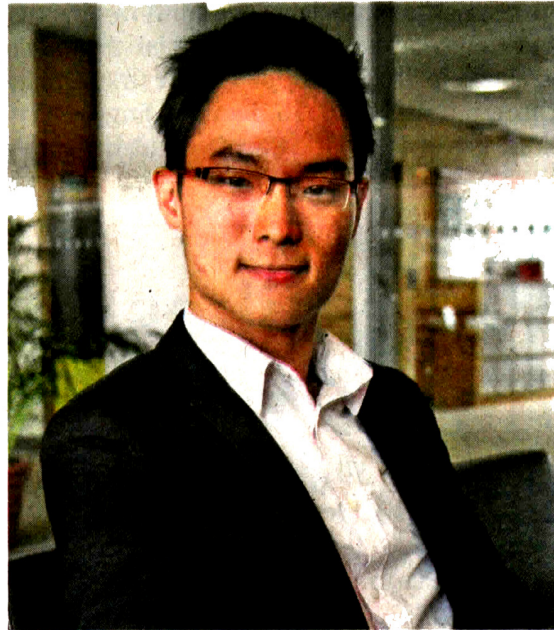
Since then, short term trades have become unattractive for him. Mr Seow then began to invest in real estate investment trusts (Reits). "Over the long run, they give me better dividends than banks and are usually more stable than blue chips," he said.

In addition, he also holds some growth stocks in the health sector, as he sees potential growth prospects. He plans to hold these over five to 10 years. Meanwhile, Mr Seow discovered a passion for teaching from his experience as a private tutor.

In his second year of university, he joined CitiSMU, a financial literacy club for young adults, where he taught students from polytechnics and ITEs. Mr Seow was awarded best trainer for two years consecutively, for his ability to effectively engage his students.

He said that imparting his knowledge of financial literacy to students was a fulfilling experience, as he knew the students could apply the skills to help them.

During his workshops, he taught different ways of saving and budgeting, as well as ba-



Mr Seow plans to sell insurance after he graduates as he finds that being a financial planner will help him equip people with a wide range of tools to secure their financial future.

sic financial knowledge which he feels everyone should be equipped with. Students are always pressured to conform to fashion or technological trends, such that they have to buy goods at a high premium, he said. Teaching them to save and budget would allow them to exercise their judgment and purchase only what they need, he said.

Looking ahead, Mr Seow said he plans to sell insurance after he graduates from SMU in July. As a financial planner, he can equip people with a wide range of tools to secure their financial future, he said.

He plans to keep up with his investing.

"I want to work and bring in more money to increase my capital before investing seriously," he said.

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