

Me&MyMoney

# 'Spend what's left after saving, not vice versa'

Entrepreneur believes in spending within limits and having cash in hand for rainy days



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With such a tough upbringing, it is no wonder entrepreneur Teh Li Rong has never been intimidated by hostile workplaces or the risk of going it alone in business.

She had to quickly build up a core of inner strength after her father died of a stroke when she was just 11, leaving her mother, an administrative executive, to look after Ms Teh and her older sister.

"Family lifestyle was simple and thrifty," the 33-year-old recalled.

"Back then, my grandmother and auntie helped out with some of our education expenses. Focused on achieving financial independence, I did part-time work from my secondary school days and gave tuition during university."

"I was actively looking for jobs and investments that could bring in income faster than a normal corporate job."

That drive to achieve financial independence led her into a career as a derivatives trader after graduating with a bachelor's degree in business management from Singapore Management University in 2007.

Ms Teh navigated the intimidating male-dominated environment and became adept at trading via instruments like commodity and index futures and options.

She also became skilful in developing and executing complex strategies involving systematic and high-frequency trading, arbitrage and directional trading.

But Ms Teh had bigger goals in mind and struck out on her own in 2011 to found Star Financials with a six-figure sum. As well as being a trading firm, it also trains and nurtures people who have no prior experience in the field.

Last year, she co-founded start-up Jio Technologies, which owns lifestyle app JiojioMe, and is now its chief operating officer.

Ms Teh and her 44-year-old husband, a senior director at a local bank, have two children, four-year-old Arissa and two-month-old Allen.

**Q What are your money management tips?**

**A** Always spend within your limit, and make your spending decisions within your capacity and face reality. Do not spend to "show" something you cannot afford and have to rely on others by borrowing. Do not save what is left after spending, but spend what is left after saving. Always grow your money and have cash in hand for rainy days.

When an investment looks too good to be true, it probably is. Do not invest until there is appropriate investor protection in place and you have done your due diligence.

**Q How did you get interested in investing?**



Ms Teh Li Rong, who co-founded start-up Jio Technologies, which owns lifestyle app JiojioMe, is keeping liquid funds ready to enter when market uncertainties return with another financial crisis.  
ST PHOTO: ONG WEE JIN

## Worst and best bets

**Q What has been your biggest investing mistake?**

**A** My biggest losing day happened in 2016 when I was trading options under my managed funds. I was sitting on a profit of about \$45,000 but I did not realise the profit.

On the first trading day of 2016, there was a huge spike in volatility when the Chinese market experienced a sharp sell-off that quickly sent stocks tumbling globally. The Chinese market fell to the point of

triggering its new trading curb rule and trading was halted when it reached a certain threshold.

A surprise move from the Chinese authorities, which suspended the circuit breaker, continued to cause further panic in the markets. My options portfolio went into a deficit of about \$40,000 very quickly.

No matter how volatile markets are, a non-negotiable risk management and money management framework has to be in place and a trader has to react to minimise losses. Do not let losses get you

down and affect your mind. I managed to recoup the losses in the following month.

**Q And your best investment?**

**A** During the 2009 financial crisis, I bought two lots of US-listed Las Vegas Sands and made 27 times returns. The purchase price was US\$2.30 apiece and the counter rose to US\$62 over a four-year period. I was 25 years old then and did not have the risk appetite to buy more shares during the crisis.

The biggest winning day was making a profit of US\$140,000 in a

day. This happened in 2010 when I was trading the Japanese index futures using the funds of the company.

Back then, the Greek sovereign debt crisis had begun in late 2009 and the market was very volatile with huge liquidity.

I not only profited from the price of the underlying asset surging, but as a scalper and momentum trader trading derivatives, I also profited from both selling and buying.

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**A** My uncle was a trader from the old pit days that transitioned into electronic trading.

I have seen how much hard work he put in and eventually succeeded, and gave back to society by providing jobs. He was my role model.

**Q Describe your investing strategy.**

**A** I used to be much more aggressive in my investing style during my earlier days as I was young and single then. I had more time to sit in front of the screen, analysing, executing and monitoring my trades. Now that I have a family with two children, I adopt a much more conservative and longer-term trading approach.

Build steadily with consistency. As a trader is experiencing swings every day, if the heart is not strong, the trader will not last. You need to have good money management skills, and risk management is of utmost importance. Maintaining a positive attitude and focus, together with equal doses of perseverance, patience, hard work and guts, have led me to success.

I save about 50 per cent of my monthly income and channel it into other investments and savings to

wards asset classes that have lower yield but are more stable. I also invest in medical and health insurance for my entire family, including my newborn.

I invested in JiojioMe with the end vision of a big bang. I will continue to invest in potential start-ups.

Investing in small companies, the returns can be exponential or you may lose all.

**Q Describe the JiojioMe app.**

**A** The spirit of JiojioMe is embedded in the name itself as "jio" literally means "to ask or invite someone out" in Hokkien dialect.

It is a lifestyle app that matches like-minded people based on hobbies and activities via geo-location, and gives users the most relevant content that they choose to follow or are interested in.

The app has partnered with more than 600 merchants and establishments to give users exclusive promotions and perks at their fingertips, and we target to grow to 4,000 partners with 1.5 million users by this year.

With JiojioMe, you can post the activity and the app will help you find

like-minded people to join you. We saw the potential of bringing the online people offline.

With more offline interactions, this creates a win-win situation for users as well as the merchants and establishments. For users, they get more social interactions offline, while enjoying a discount from it. For merchants and establishments, they gain an increase in patrons.

JiojioMe was officially launched here and is expanding to Malaysia, Thailand, Indonesia, Japan and South Korea.

It has secured early funding from Alphacap, Seristime Venture and several angel investors.

**Q What is in your portfolio?**

**A** My portfolio is 35 per cent in properties, 30 per cent in liquid funds, 5 per cent in equities, 10 per cent in businesses, and 20 per cent in managed funds and insurance. I am keeping liquid funds ready to enter when market uncertainties return with another financial crisis.

The markets have stayed calm for too long and equities markets are at historical highs.

I am betting that huge swings in the markets will return soon.

**Q What are your immediate investment plans?**

**A** Waiting for the next wave of financial crisis to build up my portfolio. Actively investing into JiojioMe and looking out for other businesses to invest in and also managing funds from my own trading.

**Q How are you planning for retirement?**

**A** I do not intend to retire and will continue to earn both active and passive income to sustain my current lifestyle and for my kids' education.

I plan to work as long as I can and set up more foundations to help others and contribute to society.

**Q Home is now...**

**A** A 3,584 sq ft four-bedroom penthouse in the east of Singapore. A 99-year leasehold property, its interior was designed by celebrity and award-winning designer Peter Tay.

**Q I drive...**

**A** A BMW Havana-metallic 5 series Gran Tourer.

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