TO A FUTURE WITHOUT WORRIES:
WOMEN’S JOURNEY TO FINANCIAL FREEDOM
WHY WOMEN?

Singaporeans enjoy an increasing life span and women continue to live longer than men. With longevity, there is an immense opportunity for women to live empowered, secure and fulfilling lives.

As younger generations of women in Singapore are more educated, many build careers that allow them to have greater financial independence. But many women also become stay-at-home moms and caregivers, with or without family support. Regardless of the path they take, data shows that women are more likely than men to be economically dependent in their old age. Caregiving responsibilities often cause women to leave paid work at some point in their lives or opt for more flexible work which pays less. Women also tend to be paid less than men for the same work or work of equal value.

Nonetheless, women can achieve financial independence.

Tsao Foundation launched the Citi-Tsao Foundation Financial Education Programme for Women in 2008, with the support of Citi Foundation and Citi Singapore, to help women prepare for financially secure golden years. The programme aims to provide practical suggestions for understanding how money works and how women can take charge of their finances.

Through the specially-tailored 12-session training, women assess what they have and the life they aspire to in their later years. With good understanding of saving and planning for the long term, making investments and selecting products and services that respond to their needs, women are able to develop their own financial plans.

The programme is available in many community clubs all over Singapore.

www.tsaofoundation.org
asiawomen.org.sg

PLANNING YOUR FINANCIAL JOURNEY

Every journey begins with the destination in mind. And just like planning a vacation, it’s important to chart your financial route with care to ensure you remain financially healthy well into your golden years.

More than just identifying what you need to fulfil your dreams, a financial plan is a roadmap that helps you navigate change, uncertainty and opportunities while guiding you towards your destination.

Whether you are beginning your career, starting a family or saving up for retirement, it’s neither too early nor too late to start planning.

As part of the Citi-Tsao Foundation Financial Education Programme for Women, this booklet seeks to empower you to take charge of your finances so you and your family can enjoy financial and social security.

In this booklet, you will discover:

These are all designed to jump start your journey towards achieving financial freedom.

Let’s get started.
Along with the rest of your peers, you’re probably busy building your career and enjoying the fruits of your labour. Exciting as it is, there is still a need to plan for that rainy day. If you answered “yes” to the quiz questions above, well done! You’re off to a great start. But if you answered “no”, it may be time to start planning for your future.

Why should I plan?
As a young adult, you will have several goals like getting married, buying your first home or starting a family. These are big plans which require significant resources to realise. Beyond these short-term aspirations, this is also a good time to start thinking about your later years.

I WANT TO SEE MY CHILDREN REALISE THEIR DREAMS
- Husnawati
Financial tips
Here are some handy tips to get you started towards achieving your aspirations.

SET A BUDGET
A good budget will determine how you spend your money, enabling you to manage your expenses and any outstanding debt, while distinguishing between needs and wants.

SET UP AN EMERGENCY FUND
Set aside money to cover at least six months of expenses for contingencies, like a medical emergency or other unanticipated costs.

GET INSURED
Protect yourself and your loved ones with adequate health insurance coverage.

TACKLE CREDIT CARD DEBT
Pay your credit card bills on time to prevent them from snowballing. Besides giving you a good credit score, this will support you in your home mortgage application.

Smart Resources
Here are some resources to kick-start your financial voyage:
- www.fpas.org.sg
- www.ccs.org.sg
- www.creditbureau.com.sg

Fun fact
Did you know that term insurance* provides you with greater coverage at a lower cost compared to conventional life insurance?


CRUISING THROUGH MY 40s

“PEOPLE TEND TO LIVE LONGER, HAPPIER LIVES WHEN THEY ARE FREE FROM FINANCIAL WORRY”
- Saraswathi
Quick Scan

Question 01
If something were to happen to me, will my family’s needs be taken cared of?

Question 02
Do I have enough for my children’s education?

Question 03
Do I have enough in my CPF for my retirement needs?

Question 04
Have I put some money in investments to grow my wealth?

Quick Scan

In your 40s, you are likely to have a stable career and family life. But this life stage comes with more financial responsibilities and concerns. The above questions are just some of the considerations in determining how prudent your financial planning is. If you find yourself answering “no” to them, now’s a good time to start planning for your future and that of your family.

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Financial tips

Here are some practical pointers to ensure you have the funds you need to take care of yourself and your family.

DEVELOP A SAVINGS HABIT
Start saving at least 10% to 25% of your monthly income for your retirement.

START INVESTING
After securing your savings and insurance needs, consider channeling your surplus funds into investments for better returns.

TAX PLANNING
Minimise your taxes by using various tax incentives and benefits.

CAREER TRANSITION
If you are planning to transit to a second career, consider equipping yourself with the right skills.

Smart Resources

Arm yourself with financial tools. Find out more from the following agencies:

- adaptandgrow.sg
- www.myskillsfuture.sg
- www.cpf.gov.sg
- www.sias.org.sg

Why should I plan?

At this point, you would probably have greater financial commitments and responsibilities compared to your 20s. You could be looking to upgrade your home, fund your children’s education or caring for elderly parents. Importantly, if you do not already have a nest egg for retirement, now’s the time to start building one.

Fun fact

Did you know that investing just $100 a month will earn you around $36,800 in 20 years thanks to the power of compounding?

*Assuming 4% annual return, with returns and dividends reinvested annually.

Your financial needs would be more mature at this point. With sufficient planning done in your earlier years, you should be able to look forward to a worry-free retirement. However, if you answered “no” to the above questions, it would be critical to start planning to enjoy future financial security.

Why should I plan?
As you sail into your golden years, your children are becoming financially independent and your financial commitments are fewer. Likely, you are focused on paying off what’s left of your home mortgage and taking care of family, whether they are your grandchildren or elderly parents, while looking forward to retirement. With an established career and income, your 50s and 60s are the prime time to boost your retirement savings and ensure sufficient healthcare coverage.

Question 01
Do I know how much I need to retire on and enjoy my preferred lifestyle?

Question 02
Do I have sufficient insurance coverage for my healthcare needs?

Question 03
Have I prepared my will?
**Financial tips**
Get a head start in achieving your financial objectives with these tips.

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<th>Smart Resources</th>
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<tr>
<td>Tap these resources to help you on your way to a comfortable retirement:</td>
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<tr>
<td>- <a href="http://www.moneysense.gov.sg">www.moneysense.gov.sg</a></td>
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<tr>
<td>- <a href="http://finlit.sp.edu.sg">finlit.sp.edu.sg</a></td>
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<tr>
<td>- <a href="http://www.publicguardian.gov.sg">www.publicguardian.gov.sg</a></td>
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**PLANNING FOR YOUR RETIREMENT**
Accumulate wealth during your remaining working years to secure financial independence in your golden years.

**LONG-TERM CARE PLAN**
Consider having a long-term care plan in the event that you are not able to care for yourself due to illnesses.

**ESTATE PLANNING**
Plan for the transfer of your assets to your beneficiaries to ensure minimal hassle and estate taxes.

**Fun fact**
Citi-Tsao Foundation Financial Education Programme for Women was developed specially for women. The programme is free and widely available in most community clubs.

**References**

There is a growing consensus from various studies that ensuring the economic security of older people, especially women, may be the primary social and economic challenge for Asia in the coming years.

Women are more likely to be economically dependent in old age because of lower overall labour force participation and they also tend to be paid less than men for the same work or work of equal value. Many older women provide care for, or are the sole caregivers of, dependent young children, spouses, partners or ageing parents and are largely unpaid for this care work.

Spending their lifetime of work in the informal sector or in unpaid care essentially excluded many older women across Asia from accessing private health insurance or from state-provided schemes, pensions and social security. Due to these, women are particularly vulnerable to poverty in old age.

Know more about women and ageing – visit [asiawomen.org.sg](http://asiawomen.org.sg)

- [www.moneysense.gov.sg](http://www.moneysense.gov.sg)
  - Managing Your Resources
  - Setting Goals
  - Things to watch out for
  - Term Insurance
  - Compound Interest Calculator
  - The Moneysense guide to planning for your Family’s Financial Future

- [www.wsg.gov.sg](http://www.wsg.gov.sg)
  Workforce Singapore, Adapt and Grow for Individuals

- [www.moneynuggets.co.uk/save-before-you-spend](http://www.moneynuggets.co.uk/save-before-you-spend)
  - Why You Should Save Before You Spend
Tsao Foundation’s vision is of an inclusive society for all ages that optimizes opportunities in longevity. Established in Singapore in 1993, the goals of the non-profit family foundation are aligned to the MIPAA and WHO healthy ageing frameworks.

Through four major initiatives – the Hua Mei Centre for Successful Ageing, Hua Mei Training Academy, International Longevity Centre Singapore and Community for Successful Ageing (ComSA) – the Tsao Foundation pioneers and provides community-based, person-centred primary healthcare for adults aged 40 and above; builds capacity in professional and informal age care and self-care; fosters elder empowerment and community development; and initiates policy-relevant research and cross-sector partnerships in its advocacy for mindset and systemic change to actualise health, wellness and participation over the life course.

www.tsaofoundation.org

The Women’s Executive Committee (WEC) is a grassroots organisation formed by the People’s Association. The functions of the Committee are:

· to promote social, cultural, educational, and recreational activities for the women in Singapore;
· to foster organising abilities and leadership qualities among women;
· to encourage women to contribute to community services; and
· to promote women’s participation in community and national affairs.

www.pa.gov.sg

The Citi Foundation works to promote economic progress and improve the lives of people in low-income communities around the world. We invest in efforts that increase financial inclusion, catalyze job opportunities for youth, and reimagine approaches to building economically vibrant cities. The Citi Foundation’s “More than Philanthropy” approach leverages the enormous expertise of Citi and its people to fulfill our mission and drive thought leadership and innovation.

www.citifoundation.com

The Institute for Financial Literacy (IFL) is a collaboration between MoneySENSE (a national financial education programme by our government) and Singapore Polytechnic. We provide complimentary and unbiased financial education programmes to working adults with the objective of helping them acquire knowledge and skills to attain higher levels of financial literacy and financial well-being. We help people make informed financial decisions.

finlit.sp.edu.sg

Credit Bureau (Singapore) Pte Ltd (CBS) is Singapore’s most comprehensive consumer credit bureau. CBS provides objective and accurate information to credit providers in the financial services industry to strengthen their risk assessment capabilities. By enabling clients such as banks, credit card companies and institutions to make better lending decisions, CBS aims to enhance Singapore’s risk management capability. CBS also seeks to enlighten, empower and engage consumers to manage and protect their financial health.

www.creditbureau.com.sg

Credit Counselling Singapore is a charitable non-government organisation set up to help individuals with an unsecured, legal, consumer debt problem.

Our Missions are:

• To promote the responsible use of credit, and
• To assist debt-distressed individuals with relevant information, debt advisory services and debt mediation with their creditors where applicable.

www.ccs.org.sg

The Financial Planning Association of Singapore (FPAS) was established in 1988. It is a non-profit professional association dedicated to promoting unbiased financial advice to Singaporean.

FPAS is part of a global assembly of the financial planning bodies. There are currently 26 international members and 175,573 global CFP professionals.

FPAS vision is to ensure that all Singaporeans have access to responsible and appropriate financial planning advice by raising the professional standards of the industry through education and a shared code of ethics.

www.FPAS.org.sg

SIAS is the largest organised investor lobby group in Asia, with almost 71,000 retail investors as members. SIAS actively promotes Investor Education, Corporate Governance and Transparency and is the watchdog for investor rights in Singapore.

With effect from August 6, 2015, SIAS is now a registered Charity and an Institution of Public Character.

www.sias.org.sg

The Women Entrepreneur (WE) Club is an exclusive networking group comprising past and current Women Entrepreneur Awards (WEA) winners. Through training opportunities, networking sessions, overseas retreats and business summits, WE Club endeavours to enhance the skillsets and business networks of Singaporean women leaders.

www.wea-sg.com

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