LET'S TALK ABOUT

FINANCE BASICS

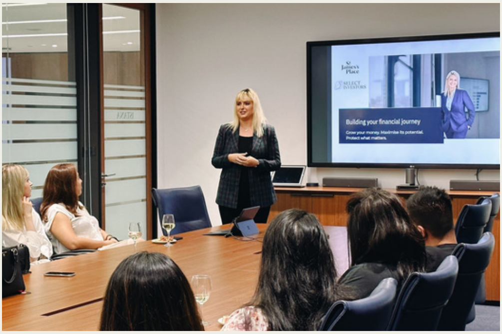
FOR YOUNG WOMEN

BY DANIELLE TEBOUL

WWW.DANIELLETEBOUL.COM
@EXPATFINANCES

CONTENTS

ABOUT THE AUTHOR



Danielle Teboul

Hi, I'm Danielle Teboul, and I have a background in finance and a passion for helping women achieve financial success. With over three years of experience in the industry in Singapore, I've worked with clients from all walks of life and understand the unique challenges faced by many, particularly for expats that have moved to Singapore and are unsure of their next move. Through my work as a private wealth manager and advocate, I strive to create more equitable access to financial education and resources. I'm thrilled to be the author of this ebook, and to share my perspective and expertise with women everywhere.

INTRODUCTION

YOU CAN TAKE CONTROL OF YOUR FINANCES TODAY AND CREATE A LIFE OF ABUNDANCE AND POSSIBILITY - BECAUSE WHEN YOU UNDERSTAND YOUR MONEY, YOU CAN ACHIEVE YOUR DREAMS

It’s very common to feel like finances are very overwhelming; that sitting down and mapping your financial goals can be stressful, but it does not have to be that way. Knowledge is power, and by learning and educating yourself on personal finances, you are already one step closer to achieving your financial goals.

But this does not mean that you must become an investment expert; you don’t have to understand everything about the stock market, macroeconomics or even stocks and shares to excel in personal finances. All you need is to understand your goals and timeline, understand your risk tolerance and how much you need to set aside. That is it!

From there, the next step is implementing this knowledge, because this information renders useless if you do nothing with it. After you have figured out your clear goals, you need to get started, because the longer you leave it, the less time you have to hit these goals.

These concepts, along with how we think about money, will be explored more in this e-book. Your wealth is what you make of it- by the end of this e-book you may be ready to make the first step.

CHAPTER I

THE POWER OF FINANCIAL LITERACY: WHY WOMEN NEED TO TAKE CONTROL OF THEIR FINANCES

The Gender Wealth Gap

This term is used to describe the disparity between the wealth of men and women, and exists due to various factors such as unequal pay, the devaluation of women's work, and the gendered division of labour. Women are often paid less than men for doing the same job, and they are more likely to work in low-paying occupations. This makes it harder for women to accumulate wealth over time.

Another contributing factor to the gender wealth gap is the impact of caregiving responsibilities. Women are more likely to take time off work to care for children, elderly parents, or other family members. This can result in lost wages, missed promotions, and a decrease in retirement savings. Additionally, women who are divorced or widowed are more likely to experience financial hardship than men in similar situations.

The gender wealth gap has far-reaching consequences for women's economic security and well-being. It affects their ability to retire comfortably, own a home, and provide for their families. Addressing this issue requires a combination of policy solutions, such as equal pay and affordable childcare, as well as changes in societal attitudes towards gender roles and caregiving responsibilities. By recognising the gender wealth gap and taking action to close it, we can create a more equitable and just society for all.

It is important to note that the gender wealth gap is not solely a women's issue. Men also benefit when the gender wealth gap is eliminated, as it promotes a more fair and just society for all.

One way to address the gender wealth gap is through education. Women need access to financial education and resources to help them make informed decisions about their finances. This can include guidance on saving for retirement, investing, and managing debt. Women also need access to affordable and flexible childcare options, which can help them balance work and caregiving responsibilities.

The Benefits of Financial Literacy; Empowering Women to Take Control of Their Financial Future

In today's world, financial literacy is a necessary skill for anyone who wants to take control of their finances. Unfortunately, financial literacy is not always taught in schools, leaving many people feeling confused and overwhelmed when it comes to money matters.

This is particularly true for women, who often face unique financial challenges such as the gender pay gap and the fact that they tend to live longer than men. By becoming financially literate, women can empower themselves to overcome these challenges and achieve their financial goals.

One of the key aspects of financial literacy is understanding how to budget effectively. A budget can help you keep track of your expenses and ensure that you're living within your means. It's important to be realistic when creating a budget and to make sure that you're accounting for all of your expenses, including things like groceries, transportation, and entertainment.

Another important aspect of financial literacy is understanding how to save and invest your money. This can help you build wealth over time and achieve your long-term financial goals. It's important to understand the different types of investments available, as well as the risks and potential rewards associated with each.

Finally, it's important to have a plan for your financial future. This may involve setting specific goals, such as saving for a down payment on a house or planning for retirement. By having a clear vision of where you want to be financially in the future, you can make informed decisions about how to manage your money in the present.

Financial literacy is a cruical skill that unfortunately for the most part must be self-taught, but it can allow access to a clear and fruitful financial future.

CHAPTER II

THE TABOO AROUND MONEY: BREAKING THE SILENCE AND OVERCOMING SHAME

In many cultures, talking about money can often be seen as rude or shameful, especially if you are discussing amongst friends and family. This inadvertently leads to issues in the financial planning, whether that be an uncertainty towards your financial goals being inline with your current situation, or complete avoidance of starting your financial planning journey, simply because it is not talked about.

How Avoiding Money Conversations Can Negatively Impact Your Finances

Money can be uncomfortable, awkward, and even taboo to talk about. However, avoiding discussions about money can actually hurt your finances in the long run.

Without open and honest communication about money, it can be difficult to make informed financial decisions. It can lead to misunderstandings, assumptions, and even resentment between partners, family members, or friends. This can ultimately lead to poor financial choices, such as overspending, neglecting to save, or taking on too much debt.

Furthermore, avoiding discussions about money can prevent individuals from seeking advice or guidance from financial experts. This can make it harder to plan for retirement, navigate investments, or even understand basic financial concepts.

Overall, it is important to overcome the discomfort and start having open conversations about money. Doing so can help to improve financial literacy, strengthen relationships, and ultimately lead to better financial outcomes.

It's also important to approach these conversations with a non-judgmental and curious mindset. Avoid pointing fingers or placing blame, and instead focus on understanding each other's perspectives and finding solutions together.

If you're not comfortable discussing money with your partner or family members, consider seeking the guidance of a financial advisor. They can provide objective advice and help you create a plan for your financial future.

Remember, the more you talk about money, the less intimidating it becomes. Over time, these conversations will become easier and more natural, and you'll feel more in control of your finances.

It is best to focus on the facts, rather than emotions or assumptions; it's important to ask questions and gather information. By doing so, we can avoid misunderstandings and work together to find solutions that work for everyone.

Be mindful that conversation about money does not have to be a confrontational or uncomfortable one; we can improve our conversations about money by applying the following strategies.

Practical Strategies for Overcoming Money-Related Guilt and Shame

- Practice self-compassion; recognise that you were doing the best you could with the information and resources you had at the time, and use that knowledge to make better choices in the future.
- Seek support from others; seek the help of a financial advisor or counselor, who can provide guidance and support as you work to improve your financial situation. Talk to a trusted friend or family member about your financial struggles.
- Take positive action; rather than dwelling on past mistakes or feeling guilty about your current financial situation, try to channel that energy into making positive changes. Set achievable goals for yourself, such as creating a budget or paying off debt, and celebrate your progress along the way.

By practicing self-compassion, seeking support, and taking positive action, you can overcome money-related guilt and shame and start building a brighter financial future.

CHAPTER III

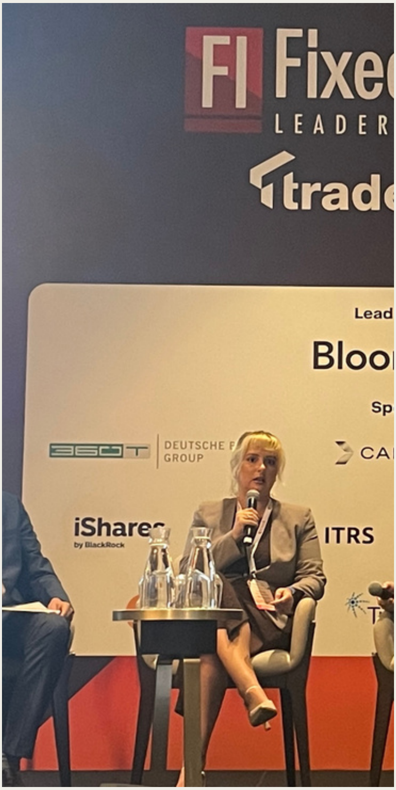
UNDERSTANDING YOUR MONEY MINDSET: EXPLORING YOUR RELATIONSHIP WITH MONEY

Exploring your relationship with money can be a powerful tool in understanding your money mindset.

To begin exploring your relationship with money, start by reflecting on your earliest memories of money.These early experiences can have a lasting impact on your money mindset.

Next, examine your current money habits and attitudes. Understanding your current money mindset can help you identify areas for growth and improvement.

Understanding your money mindset is a journey, not a destination. By exploring your relationship with money, you can cultivate a healthier and more positive relationship with your finances.



How Your Upbringing Shapes Your Financial Attitudes and Beliefs

Our upbringing has a significant impact on our financial attitudes and beliefs. The way we were raised and the environment we grew up in can shape our perception of money and influence our financial decisions. For instance, if we grew up in a family that struggled financially, we may develop a scarcity mentality and view money as something that is hard to come by and must be saved at all costs.

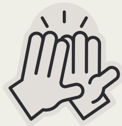
On the other hand, if we grew up in a family that had an abundance of wealth, we may have a more relaxed attitude towards money and view it as something that is always available. Our parents' attitudes towards money and their financial habits can also play a role in shaping our own beliefs and behaviors.

It is important to recognise the impact of our upbringing on our financial attitudes and beliefs. By understanding our own biases and beliefs about money, we can make more informed decisions and work towards a healthier and more positive relationship with our finances. It is never too late to shift our mindset and develop new habits that align with our financial goals.

CHAPTER III

How to figure out how your upbringing may have shaped your financial attitude

Reflect on your childhood experiences: Think back to your earliest memories of money and how it was talked about in your household. Did your parents discuss financial matters openly, or was it considered a taboo topic? Did your family prioritise saving or spending?



Consider the role models in your life: Identify the people in your life who influenced your financial beliefs and behaviours. Was it your parents, grandparents, or other relatives? What attitudes did they have towards money, and how did they handle financial decisions?

Analyse your family's financial situation: Look at your family's financial situation growing up. Did you experience financial hardships or abundance? How did your family cope with these situations? Did they have a budget or financial plan?

Examine your education: Evaluate what you learnt about money in school, and how this may have impacted your financial beliefs. Did you receive formal education on financial literacy or did you have to learn through experience? Did you have access to financial resources, such as books or seminars?

Identify your current habits: Take a closer look at your current financial habits and attitudes towards money. Are there patterns or beliefs that you've carried over from your upbringing? Are there any financial behaviours you'd like to change?

Try to seek out outside perspectives: Talk to other people, such as friends and relatives about their own experiences with money and compare them to your own. You can also seek some professional guidance or counselling if you need help addressing any negative beliefs or behaviours you've identified.

CHAPTER IV

MAKING MONEY WORK FOR YOU: STRATEGIES FOR SAVING, INVESTING, AND PLANNING FOR THE FUTURE

Goal Setting & Risk Tolerance

When it comes to managing your finances, setting goals is crucial. It helps you stay focused and motivated, and also gives you a clear direction in terms of what you want to achieve. However, it's important to keep in mind that setting financial goals also involves assessing your risk tolerance.

Risk tolerance refers to how comfortable you are with taking risks when it comes to your investments or financial decisions. Some people are more risk-averse and prefer to play it safe, while others are more willing to take on higher risks in order to potentially reap higher rewards.

Assessing your risk tolerance is important because it can help you determine what types of investments or financial strategies are best suited for you.

For example, if you have a low risk tolerance, you may want to stick to more conservative investments like bonds or mutual funds. On the other hand, if you have a higher risk tolerance, you may be more comfortable investing in stocks or other higher-risk options.

Ultimately, financial goal setting and risk tolerance go hand in hand. By understanding your risk tolerance, you can set realistic and attainable financial goals that align with your comfort level. This can help you make more informed and confident financial decisions, and ultimately work towards achieving the financial future you desire.

Cash Flow & Budget

It is important to track your spending and saving on a monthly basis. This cash flow analysis will help you focus on your savings and setting aside for investments.

For a basic guideline, maximum 50% of your monthly income should be spent on fixed expenses (rent, utilities, groceries etc.), 30% should go on variable expenses (taxis, going out, hobbies etc.) and 20% should go towards saving and investing. Of course, this will always be slightly different person-to-person, but if you are unsure of where to begin, this is a good skeleton to follow. In terms of your income and growing your money, you can consider these three key areas:

YOUR INCOME

RETIREMENT	SAVINGS PLAN	BUILDING WEALTH
Goal setting	Goal setting	Goal setting
Saving	Emergency fund	Allocation
Investments	Interest	Diversification
Pensions	Automation	Patience

Retirement is a long-term goal that everyone needs to plan for. Of course, this begins with at what age you would like to retire and what retirement lifestyle you desire. Your retirement income should be made up of your cash savings, investments and whatever pension scheme you have contributed towards.

This long-term goal is very different to savings. Savings tend to be kept a lot more liquid, as you may need access to them a lot sooner. For example, saving for a holiday or car. You will also need to save in case there is an emergency, like an unexpected bill. Ideally, it is best to find a savings account that is liquid but still gives you a decent rate of return, and payments into this fund should be done automatically each month.

Building wealth is equally important as the other two areas, and like retirement, it should be seen more long-term; it is important to remember there is no quick-fix, but a clear strategy with goals, asset allocation that is diverse, within your risk tolerance, is ideal.

CONCLUSION

THIS IS THE BEGINNING OF SOMETHING GOOD.

Financial literacy is an important skill for everyone to possess, but it is especially crucial for women. The good news is that getting started with financial planning doesn't have to be overwhelming. It's important to start by setting some clear financial goals, such as saving for retirement or paying off debt. From there, you can create a budget and start tracking your expenses to make sure you're staying on track. There are plenty of options out there to help you grow your wealth over time.
By educating yourself about these topics, you'll be better equipped to make informed financial decisions that will benefit you in the long run.

Ultimately, the key to successful financial planning is to start early and stay committed. By taking small steps every day to improve your financial situation, you can build a strong foundation for a secure and prosperous future. I wish you all the best in your financial journey.