

هوڭ ليوڭ اسلاميك بنڪ



What is Smart Saving? Presentation by GM, PFS-i



What is Saving?



- **Saving** is income not spent.
- Methods of saving include putting money aside in, for example, a deposit account, a pension account, or an investment fund.
- Saving also involves reducing expenditures, such as recurring costs.
- In terms of personal finance, saving generally specifies low-risk preservation of money, as in a deposit account, versus investment, wherein risk is a lot higher.



▀▀▀▀▀▀ Savings Strategies to Reach Financial Goals ▀▀▀▀▀▀



Best Deals on Expensive Items

Plan and save to find the best deals on expensive items.

Create Multiple Savings Goals

Create a plan for multiple savings goals such as retirement, emergency savings and paying for college.

The Right Way to Save Your Money

The right way to save your money depends on your risk tolerance.

Best Deals on Expensive Items



Need or Want

First, decide whether the purchase is a need or a want. Save regularly for a need, such as a car to get to work or health insurance, and contribute less frequently to a want, such as new apparels in trend, accessories or gadgets.

Find the Best Deal

- Consider used. For example; you can look for used text books deals from your senior university mates of the same course subjects.
- Comparison shop. Browse for the lowest price online.
- Try bargaining. Make an offer on an item instead of accepting the stated price.
- Have patience. Watch out for holiday sales or special markdowns.

■ ■ ■ ■ ■ Create Multiple Savings Goals



You likely have more than one savings goal: save to buy a car needed for work, save to buy a house; and save for emergencies.

Spread the Wealth

For example, you have RM400 to contribute to savings each month, how would you allocate that money? You may want to consider the following:

- 40% (RM160) toward your emergency fund
- 30% (RM120) toward buying a car fund
- 30% (RM120) toward buying a house fund



■ ■ ■ ■ ■ The Right Way to Save Your Money



The best way to ensure future financial stability is to start saving as soon as possible. If you really want your money to grow, you need to think seriously about where you put it.

There are many options for where and how to save money for the future, including a basic savings account, which is relatively low-risk, but offers small returns on your investment.

What's the State of Your Rainy Day Fund?

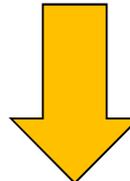
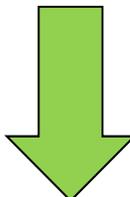


I don't have one.

I have at least \$500 in savings.

I have 3-6 month's salary in savings.

The Right Way to Save Your Money

Account	Where is your money going?	Pros/Cons	Risk Level
Stock	You are buying a share of ownership in a company	Due to its risk, investing in stocks and mutual funds makes the most sense for long-term goals such as retirement.	Higher Risk 
Mutual Fund	Your money is pooled with money from other investors to buy stocks, bonds or securities		
Bond	You are loaning money to a company or government	For savings goals in 3 to 5 years, it makes sense to use lower-risk savings options	
Money Market Account	You earn more interest than in a savings account, but may need a large opening balance		
Savings Account	Returns are low, but your money is relatively safe and you can access it easily	Very little risk	 Lower Risk

Ways to Save – Savings with the Bank

Saving with the Bank can consider using the following deposit accounts:

- Regular savings account
- High-yield savings account, which often has a higher interest rate than a regular savings account
- Bank money market savings account, which has a variable interest rate that could increase as your savings grow

Benefits of Using Savings Account

- No risk.
- Interest earning.
- Not all savings accounts charge monthly fees.
- You can still access your money whenever you want.
- You can set up automatic deposits to steadily build your savings



Ways to Save – Savings with Credit Card

Understanding credit cards and how it work can actually save you a lot. It also provide you with financial flexibility.

Benefits of Using Credit Card for Purchases

- Financial flexibility.
- Cash rebate offer by credit card similar in the form of discounts given on product or services purchased actually is actually a savings.
- Instalment payment flexibility.



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*Thank
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