2015 Review: Did I Meet My Financial Resolutions This Year?

Description

Iâ??ve been receiving some very encouraging emails and comments on my previous post on how I managed to break my own record and boost my savings to 150% of the amount saved last year; thanks guys for all your support!

Moving on, I wanted to do a quick reflection on how I fared for the financial resolutions I made in 2015:



1. Save more than $20,000 â?? ACHIEVED!

Cutting down on my expenses helped me to save an additional 10% which wasnâ??t a lot, so I did some sideline projects and sold off items on Carousel to help get some extra cash which I channeled entirely into my savings. The full breakdown can be found in my previous post here. As a result, I managed to save 50% more, which was a feat I didnâ??t even expect!



2. Increase my income by at least 10% â?? ACHIEVED!

Once I realized there was almost no way I could significantly grow my savings unless I found other

means to boost my income, my first thought was whether it was possible at all to get any pay raise within the year.

It would have been foolish (not to mention completely out of my control) to leave this resolution in the hands of my boss, so I decided to do something on my own instead, and managed to find some sideline projects to help bring in extra cash. Was it tiring? Yes, extremely, but it did help me to meet my goal.



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3. Pay off another 30% of my total study loan â?? not achieved.

One of the downsides Iâ??ve encountered ever since starting this blog includes the harsh criticism by many readers who are often quick to jump to conclusions and make assumptions about how it is easy for me to save because I earn a lot / donâ??t give my parents money / get men to pay for me / no loans to pay off, etc.

Needless to say, none of these assumptions are true, as you might already know if youâ??ve been following this blog regularly (answers found in previous posts). Furthermore, while it is true that I did not have to pay my university fees due to my straight â??Aâ??s which earned me a local scholarship, I do have a 5-digit loan which I took in order to study in the U.S. for an exchange semester. I am still servicing this loan, and one of my resolutions included paying off at least another 1/3 of the remaining sum within 2015. Unfortunately, due to my cash being channeled into investments and insurance, I did not manage to fulfil this goal.



4. Get rid of lousy insurance policies.

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In 2013, I made a mistake by purchasing an investment-linked policy at the advice of a friend, and it was a decision that cost me over $3,000 in premiums. Once I understood the pros and cons of an ILP better this year, I realized it was a stupid financial commitment and decided to terminate the policy.

In addition, I realized to my horror that my financial agent had failed in getting me properly covered, pushing me to buy an ILP instead when I had so little budget for insurance as a fresh graduate. As a result, I had to DIY and bought a term and hospitalization plan to make sure I was adequately covered.

Moving into 2016 and 2017, once I get my next pay raise, I will be looking into getting critical illness coverage which Iâ??ve already discussed with my new agent.



5. Start learning about investments and build up my portfolio.

I have to thank all the (older) folks who advised me to look into investments after my savings post went viral last year, for they started me on my investment journey, and Iâ??ve learnt a lot since.

My current investment portfolio stands at about 30k. As a beginner, I went with a few blue chips to minimize my risk from the onset. Unfortunately, a large portion of my holdings were bought in the first half of the year â?? when markets were still bullish and on the upside. If you invest, you would know about the August crash and how markets continued to slide downwards in the second half of the year. As a result, the stocks I bought earlier in the year have taken a severe beating, whereas the ones I added in the third quarter werenâ??t that badly affected.

Moving into 2016, I will continue to build up my warchest and be more selective about when I deploy my cash into stock purchases.

How did you fare for your financial resolutions?

With love,
Budget Babe

Category

1. Bank Accounts
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