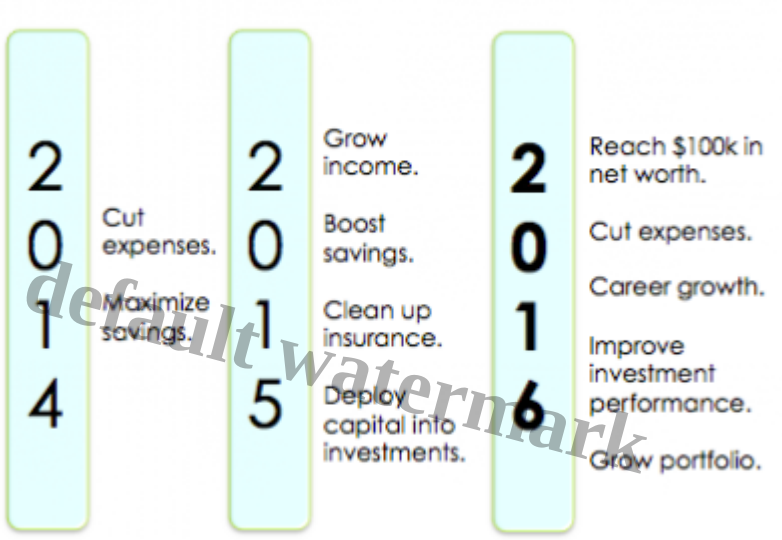
2016: Did I Meet My Financial Goals for This Year?

Description

With 2016 coming to a close, I decided to take a look at how I fared this year and whether I had met the financial goals Iâ??d set for myself.



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When I first started this blog as a financial notebook to keep an account of all my learnings on this personal finance journey, my initial focus in 2014 was all about cutting down expenses and maximising my savings.

In 2015, I achieved my goals of growing my savings and cleaning up my insurance policies, but did really badly on the investment portion due to timing. Iâ??d made the mistake of being impatient to start, and used up my savings in the first half of the year, only to see huge paper losses after when the oil and China crisis hit. My stock performance were horrendous. Other financial bloggers encouraged me by saying those were â??school feesâ?• that â??people pay to the stock market to learn about investingâ?•, but while it helped to curb my emotions, I was still frustrated with myself.

So hereâ??s a review of I fared in 2016:

1. Accumulate $100,000 of net worth â?? ACHIEVED!



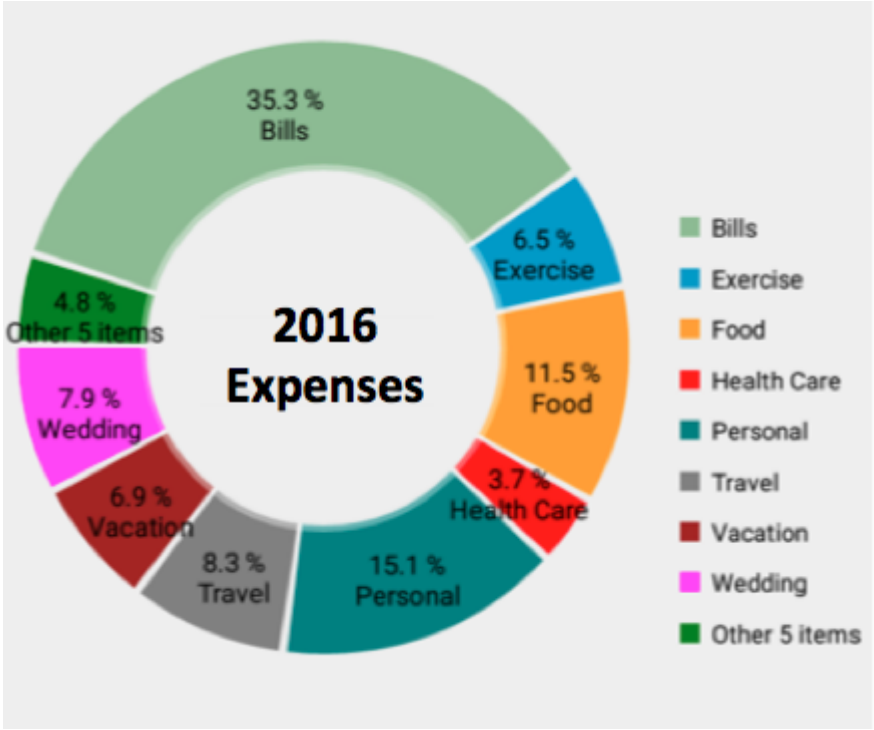
This was a stretch goal I had initially set for myself to achieve before turning 30, and with $50k in voluntary savings from the past 2 years, I thought Iâ??d be able to hit it by 27 with the help of my CPF, but this milestone came a year early in November!

My cash savings this year came in at $40,000 â?? made possible largely by the rise in income. (But this now means Iâ??ve to pay more taxes, which is why Iâ??ve been using CPF to help mitigate that as much as I can!) Thus, my total net worth now stands at $140,000 â?? a sum that Iâ??m quite happy with as my efforts have paid off earlier than expected.

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2. Cut expenses â?? NOT ACHIEVED

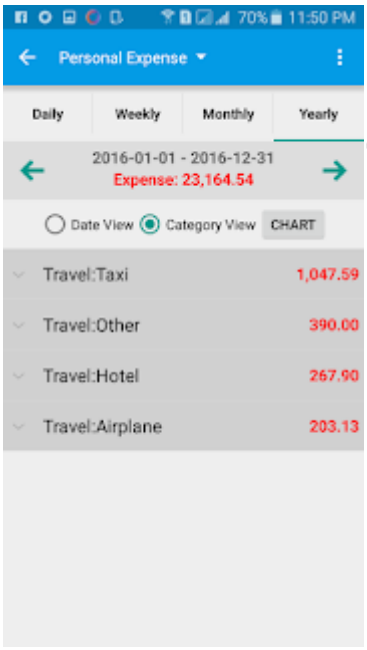
My expenses skyrocketed this year due to paying off a big portion of my education loan, increased spending on taxis (to teach tuition on weekends), and attending 9 weddings.



While I tend to be selective about attending weddings, many of my good friends got married this year so there was no way I could cut this category of spending. There would have been more weddings, but my fiance and I decided that due to the exorbitant costs, we wouldnâ??t be attending any weddings in pairs (except for that of family).

I also spent more on beauty treatments to pamper myself â?? laser facials, teeth whitening, slimming â?? as working 7 days a week meant I was perpetually stressed and burnt out. Not all of them were worth it though.

$1,047 on taxis is too much for me to handle, but this was the only way I could squeeze in my tuition sessions, so there wasnâ??t a way out.



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3. Career growth â?? Achieved!

In line with my career ambitions, I wanted to grow the companyâ??s performance this year and rise up the corporate ladder. Although a (title) promotion didnâ??t happen, I was offered 3 other job opportunities which were really tempting as they came with higher pay. In the end, I decided to stay status quo, and was later rewarded with a pay increment in my current job. This year had been extremely hectic at work and Iâ??m glad that my efforts have been recognised by senior management.

4. Improve investment performance â?? Achieved, somewhat.

Upset with my lacklustre performance (was I to blame it on bad luck and timing, or to blame myself for not having spaced out my purchases?), I told myself that 2016 was the year that I HAD to climb back up. I spent money attending a fair number of investment courses, but got disillusioned by many of them

who gave just a teaser preview of basic concepts that are available online for free. I also made the difficult decision of cutting my losses on some counters â?? the mixed feelings between converting paper losses to materialised ones were painful to deal with â?? which I felt was a necessary evil. To try and make up for my losses in 2015, I tried my hand at trading only to get burnt a little further.



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2016 was a difficult year for most investors I know as well â?? most are either down or flat, although I do know of a few who did well (and who humbly attribute their successes to luck and timing). We had the China crisis, oil slump, Brexit, Donald Trump and rising interest rates all taking place within this year alone. It was a sobering lesson for me indeed.

While my performance did indeed improve somewhat from 2015, it still wasnâ??t not good enough for my own standards. I also missed out on 2 major winners as I didnâ??t have time to complete my research before their stock prices rose miraculously â?? both would have given me 30% â?? 60% of returns each if I had bought it the day after spotting them. Oh well. Given my nature to not buy something until Iâ??ve researched it enough, this would have happened again even if time was reversed.

With the gains from my 3 winners mitigated by the losses on my 3 biggest losers, my portfolio barely moved. **(Paper) losses are now at 13%, whereas materialised (real) losses are a small 2%.**

Iâ??m thankful for this, as I was afraid itâ??ll be worse, and I clearly still have a long way to go in terms of making better investments. Iâ??ll be spending more time learning and revamping my investment strategies until I find something that truly works for me.



5. Grow my portfolio â?? Achieved.

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Although my winning trades helped to mitigate some of my losses, the gains were insignificant as a whole. My portfolio value doubled largely due to cash injections, but Iâ??m hoping that my investments will pay off soon and contribute to a better performance.

All in all, there were good and bad. I missed some boats; I caught some, but more importantly, Iâ??ve learnt a lot more about myself and how my emotions get in the way of my investments this year. Thatâ??s a long story, so Iâ??ll leave it for another blog post, but do look out for my next post on 2017 readerâ??s financial resolutions!

How was your 2016?

With love,
Budget Babe

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