

Let's go on a Financial Fast!

Description

Shall we go on a financial detox together this week?

The idea is to start small, and track how much you save by letting go of these little "indulgences". You'll be surprised!

Some of you might be familiar with the poverty challenge that went viral last year – quite a number of journalists tried it out – also known as the Can You Live On \$5 A Day? challenge.

I personally found that a little too extreme. Taking the MRT to and from work will already set you back by \$3 to \$4+ which leaves you with hardly any money left for the day. ?? not for me!

This Financial Fast is a more achievable challenge in my view.

I did a quick search and realised my idea isn't new ? first popularized by Washington Post columnist Michelle Singletary, the "financial fast" is a money diet that promises to break bad spending habits, create a plan to become debt free, and set yourself on a better financial course for the future.

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It is originally supposed to last for 21 days (feel free to stick with it for that long if you'll like!) but I've modified it to a week so that we can get started!

(Also, with CNY around the corner, most of us probably won't be able to NOT spend on new clothes haha. But shall we at least keep it to 3 sets max? For 3 days of visiting!)

How it works

Step 1: Create a savings journal

This is to track all the savings you accumulate this week while on this fast. As we're only doing it for a week, please don't waste money buying a new notebook just for this! Jotting it down on some scrap paper or even your phone Notes app will suffice.

Step 2: you can only spend on NECESSITIES and nothing else!

Just like when you fast, you abstain from eating certain foods. Our Financial Fast will look at us abstaining from anything that isn't necessary to our survival.

You're not allowed to spend on anything that isn't ESSENTIAL at all. (It'll only be for a week, I'm sure you can survive this!)

This one doesn't come with a fixed budget for each day, as I don't want you guys to feel like you're being restrained or held back! But you've to be disciplined and not make excuses to categorise something as essential when they're actually not k?

How to record

? Method 1: Record the Savings!

Say for instance, you usually spend \$6 a week on a cup of Starbucks. By abstaining from it this week, you can record that as \$6 saved! If your normal meals usually cost about \$15 but you've substituted it by eating hawker food this week, you can record it as \$15 - \$4 ?

? Method 2: Record your Expenses, then deduct from a normal week worth to find your savings

This might be easier for those of you who are diligent in tracking your expenses (not to mention easier! I'm gonna be using this method haha)

Maybe you spend \$150 a week on average due to cafes, happy hours, etc. By going on this challenge, you end up only spending \$70. Your savings are therefore \$80! ??????

Things I consider as essential:

- ? public transport
- ? plain water
- ? 3 meals a day

Stuff that are NOT ESSENTIAL:

(Help me add on please!)

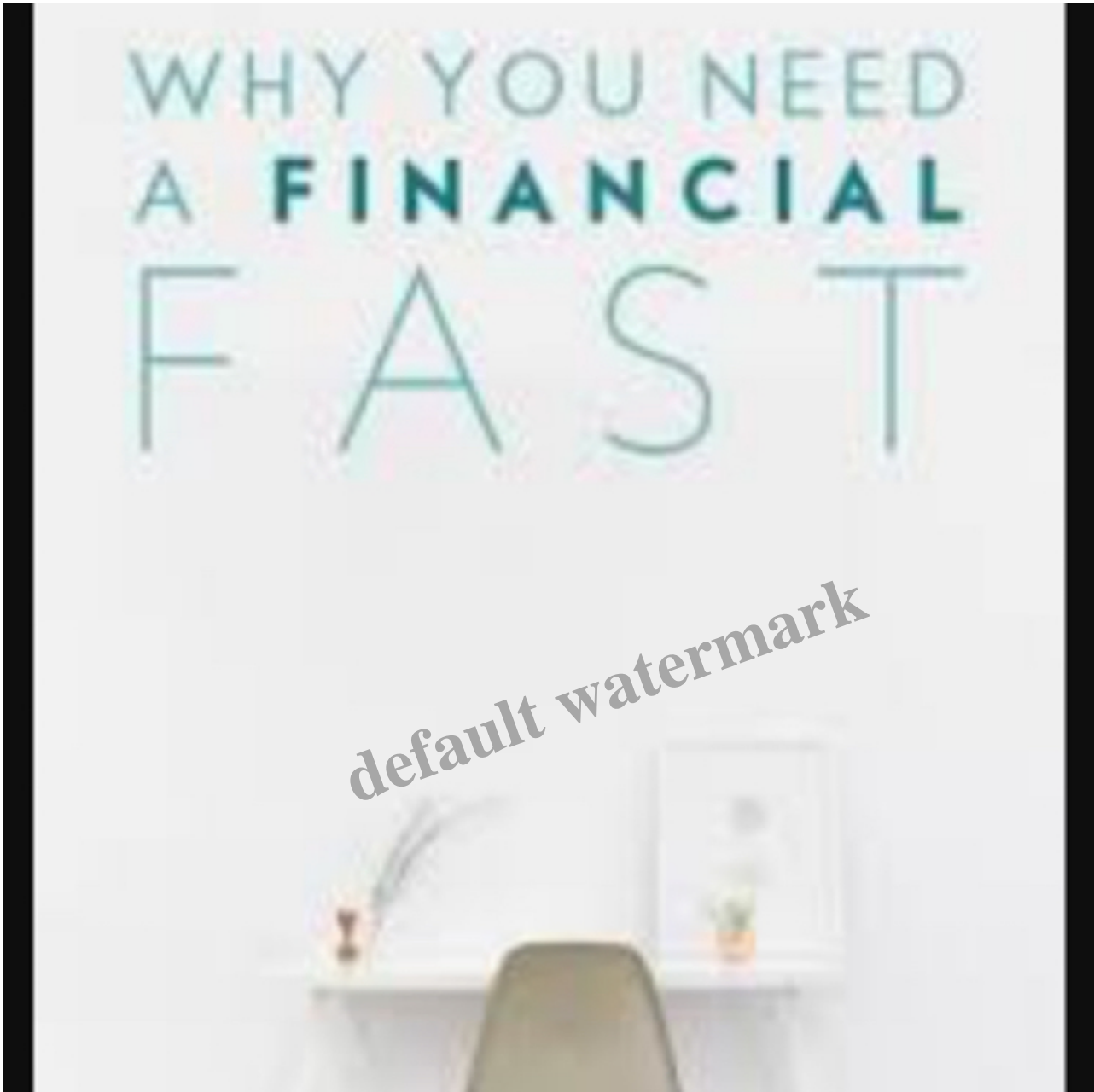
- ? taxis / Uber / Grab (being late isn't an excuse)
- ? coffee (but you can make your own at the office pantry!)
- ? soft drinks / cold drinks / bubble tea / Starbucks
- ? snacks (Ilaollao or small bites)
- ? new clothes (you already have some in your wardrobe so it isn't a must to get a new set this week)
- ? new shoes
- ? new makeup
- ? facials
- ? gym classes (let's substitute this with home workouts or a run around your block just for this week! I'll abstain from dance classes this week with you guys k!)

Now, the idea of this fast is to try to push yourself out of your comfort zone for one week. Embark on a challenge to try and see what you can consciously choose NOT to spend on.

At the end of this week, frankly speaking your savings might range from a lot to very little (depending on your normal spending habits). The focus isn't on challenging each other to see who saves more.

It is about embarking on a personal journey to understand yourself better. Conscious spending is the first step!

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What conscious action did you take today as part of your financial fast?

For me, I was reallllllllllly tempted to eat Crystal Jade for dinner and get a cup of cold drink both during lunch and dinner, but I restrained my cravings and went back for plain water instead. While I didn't feel too happy about giving up on my xiao long baos, I'm glad I stuck to my guns as part of this financial fast!

Otherwise, if I had cheated, I would be letting myself down.

Remember that this financial fast isn't about me or anyone else – it is for YOU.

Did you cheat today? Were you tempted to?

What did you do today as part of your financial fast?

Please do share with me Day 1 of your journey and let me know how it has been so far! I'm reading and replying to each and every one of you ?

Category

1. Bank Accounts
2. Family
3. Savings

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