

What if you could have your cake and eat it too?

## Description

What would you do if money wasn't an issue? Many said they would love to travel the world. Some said they'll be a stay-home parent; other said they'll spend more time with their loved ones. Others said they'll chase their passions – be it setting up an animal shelter for the homeless and strays, or finally have the time to contribute to humanitarian work without having to worry about their bills.

Thanks for sharing all your stories with me guys! I loved reading every single one of them.

Image not found or type unknown



The question is, why aren't we chasing them? Someone said the biggest keyword in my question was the "IF".

If only I had enough money.

If only I was born into a rich family.

If only I didn't have bills to pay every month.

Image not found or type unknown



Why do we want financial freedom? While the older generations may look at us with judgmental eyes, thinking "kids these days ah...so lazy just want to retire early. In the olden days, we were happy just to have a job!"

But hey, I don't think our generation is lazy at all. I think the difference is that we actually know what we want. We have dreams and goals that drive us, that make us hunger for life. We want more than a 9-to-5 office job that doesn't change the world.

We want to be able to do the things that WE want. Not to be stuck in a job we don't entirely like – having to deal with cranky bosses and office politics – all because we need that monthly pay slip on the 30th of each month so we can pay off our bills.

There are mouths to feed, transport fares to cover, electricity, water and Internet bills, etc.

"How can I be so irresponsible to chase my dreams just like that?"

You don't have to be irresponsible. What if I told you that you could still cover your bills and regular living expenses, without having to sacrifice your dreams?

Think about it. Perhaps you could go into the office just 4 days a week, and spend 1 day doing the things that excite you, the things that you love. Humanitarian work, helping out at the animal shelters, set up your own cafe, etc.

You could take a few weeks off to go travel without fearing that you'll be sacked upon return.

I've a friend who juggles two jobs. One keeps her bills paid, while the other is her pet project that excites her, and is her way of contributing back to society for all she has received in return.

How did she do that? Simple. She earned a lot in her first few years at work, saved that up and did pretty well in her investments, then quit her job to do her free project. Later on, after it took off, she went back to a part-time job that would still ensure money keeps coming in at least.

The #1 rule to reaching financial freedom

For those of you who came for the crash course yesterday, thanks for spending your Tuesday night with me! It was super content-packed and I hope you guys managed to understand the really cheem concepts through my simplistic analogies and examples!

For those who missed the session, I'll be putting tidbits of what we went through yesterday because there was so much good content. Thanks to all those who sent in your questions and topic requests! Couldn't have done my slides without your inputs.

The #1 rule we went through was simple: Track your expenses.

Know where your money is going. Only then will you get a better insight into your financial health.

We got the guys at Seedly to do a demo of the app, but of course you're free to use any expense tracking app which you think works best. I personally love and recommend Seedly because they're the only Singapore-centric app and they're free!

Image not found or type unknown



Loving this post! Check out @livingatm post guys if you wanna know what I covered yesterday haha. Her notes aren't complete though and very tailored to her own lifestyle, but it's a great start. I'll write about the rest here on Dayre bit by bit k!

Thanks @livingatm for making me feel like I made a difference to someone else's life ?

The #2 rule is then to keep your expenses lean.

Who do you think will achieve financial freedom first? A doctor who earns \$12,000 a month, or a truck driver who gets paid \$2,000?

How many of you are hoping to work in a fancy cushy job – like being a banker, a doctor or a lawyer because...you know, that's where the big money is right?

If you've played the game of Cashflow before, you'll probably know the answer.

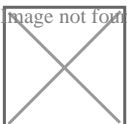
The first time I played it, I was super happy to have been assigned the character role of doctor. My income was high (woohoo!!) and I was so certain that I was going to win the game.

But I got smashed BIG time. In fact, I was the biggest loser in the game – the furthest from financial freedom. Guess why?

The doctor lost to the truck driver in the end, because despite drawing a high income, he was saddled with huge debts from medical school. At the same time, his lifestyle expenses were significantly higher, including his children's expensive education and other needs, thus it was really hard for him to reach financial freedom. He was spending almost everything of what he earned.

On the other hand, the truck driver had lesser financial liabilities to start off with. Being prudent and by paying off his credit debt first, he was able to slowly but steadily get to the finishing point of financial freedom. And he was the first player to win the game.

Image not found or type unknown



AIYA it got cropped. The bottom part says "how to get out of the rat race!"

The game of Cashflow had a profound impact on me. It made me realise that one doesn't necessarily need to be a higher income-earner to become financially free.

We may not always be able to control how much we earn, but we can always control how much we spend.

Since financial freedom is defined as the point where your passive income is more than your living expenses, mathematically speaking, if your expenses are high, you naturally need to generate even more passive income to sustain it.

\$2000 a month of passive income is not impossible. If you have \$600,000 and your investments generate 4% per annum, you'll get \$2000 a month without needing to do anything else.

Is 4% very hard to achieve? No. Even your CPF-SA account pays out more than that.

However, if you choose to live a more extravagant lifestyle of \$10,000 a month, you'll need an investment portfolio of \$3 million just to generate that amount at 4% per annum.

I can frankly tell you I'm not even sure myself if I can hit \$3 million in cash (excluding emergency savings) to channel towards my investments. I don't earn a lot.

But can I get 4% returns per annum? That's more achievable for sure.

When people ask me what's my top tip for anyone wishing to become financially free, many of them roll their eyes when I tell them to first start with tracking their expenses.

"So mafan! No need la."

"Huh that's it? CHEY. I thought you had some secret formula or something."

But how many actually put that into action? How many of you, who have been reading my Dayre or blog, have actually downloaded an expenses tracking app to start monitoring what you spend on?

Reading and learning isn't enough – when it comes to your personal finances, you need to put it into action.

Success is up ahead – the question is, what will you do to get there? And will you do it?

I hope you'll join me on this journey, and let's work towards financial freedom together.

## **Category**

1. Savings