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Everyday Advice from Malaysians Moms that we can Apply to our Wealth Management

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Our mothers play a huge role in shaping our worldview as well as attitudes about money with many young adults considering their mom to be their biggest financial role model.

Even for moms who have little or no financial background, they can still dole out stinging cold-hard truths about money and life that we often take for granted as adults today.

In conjunction with Mother's Day, we've compiled 5 nuggets of motherly wisdom that you might have heard before and how you can apply it today as an adult. As they say, mom's the word.



Use your Head

Alternatively you might have heard this version, "You have a brain, use it!" Our mothers don't mess around with their words and this one probably pierces the most. However, as we get older, finish college and start working, some of us might become too smart for our own good. "Professional" investors are some of them.

Investors are known to be the least rational creatures in the world often making decisions that boggles the mind. Whether it's chasing returns in an overcrowded market, exhibiting irrational exuberance or wilfully ignoring information, the investment realm is littered with cases such as these. Even worse, some fall victim to investment scams with promises of huge returns but none of the downside.

Before you make any rash investment decision, remember mom's advice. Take a step back and think about it logically as well how it could impact your goals in the long-term. Being a good investor isn't necessarily about how much you know, but how you behave. An investor who can keep his cool, stay calm and be really 'smart' about his finances stands a higher chance of succeeding.



Don't spend so much time on your [insert here]

Depending on which year you grew up in, the choice here could either be TV, laptop or smartphone. Regardless of which option you choose, your mom wanted you to know about something about the

Outthink. Outperform.

dangers of habitual binge-watching and getting your brain fried from too much “information” on the screen.

Investors are also prone to such information overload by being glued to their screens to stay up-to-date on market news and then reacting immediately. Heed mom’s lesson to take a break and learn to tune out the noise and short-term volatility. Sometimes the best way to manage your wealth is to not do anything at all and let it grow by compounding on its own.

3 If your friends jumps off a cliff, will you jump also?

Every kid has felt the crumbling weight of peer pressure by following their friends in order to gain acceptance and be part of the cool gang in school. You’d think as they become older they would grow out of this phase, but the pressure of FOMO (fear of missing out) continues well into adulthood.

It’s more prevalent today with the presence of social media that can heighten anxieties and lead you to spending things in order to please others as opposed to yourself. This also extends to our investments, where we shouldn’t be blindly following the herd and chasing the latest market trends.

Our moms nurtured and encouraged us to pursue our own passions and interests, so that we can be happy in our own skin. Don’t let that go to waste and be your own protagonist in your story.

4 Eat your vegetables everyday

Mothers also knew a thing or two about the powers of small acts that can translate to huge benefits over the long-term. Eating your greens daily is one such example, where small but consistent intake can provide our bodies with the essential vitamins, nutrition and minerals we need.

Our investments can also benefit from such small but consistent actions through dollar cost averaging. Nobody likes to invest regularly especially when the market is down. But stripping away

your emotions by investing regularly can help you average down and accumulate more units. Over the long-term, your portfolio would then reap the benefits of compounding as the market starts to normalise.

The same way children can be conditioned to eat their peas and broccolis every day when they were younger, investors can also modify their behaviour by starting early and being disciplined.

5 You think money grow on trees is it?



Every Malaysian kid has probably heard this one before at some point in their life. But it’s a perennial pearl of wisdom that teaches us about this scarce resource called money which cannot be cultivated naturally with water and sunlight.

It takes hard work to earn, plenty of discipline to save and most of all time... It takes time for money to grow and compound over many years. Patience is needed to build wealth that can sprout and blossom into a large canopy and provide shelter for life’s moments. As such, weeding out the leakages and cutting wastage is key.

Every Ringgit saved can add up. Be reasonable with your spending and remember what your mom taught you when she gave you pocket change every day. If you respect money, money will respect you. Don’t squander it away by being reckless and treating money with disrespect.

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