

Money Matter\$ - 12 May 2022

By [Standard Chartered Bank](#)

Saving Tips for Hari Raya Green Packet Money

In conjunction with the Hari Raya festivities, as we go around to open houses to visit families and friends, singletons and children often receive special Hari Raya green packets filled with money. From home to home, as we or our children collect more and more green packets, it would seem wise to have some sort of a savings plan for this extra money rather than to spend it frivolously. After all, the green packets received during the festive season is extra money on top of regular pocket money or allowances received and hence can be viewed somewhat as a bonus.

All who receive green packets are very excited with the extra money and would start planning how to spend the money on a treat or desired item such as buying a new toy or game, upgrading your mobile phone to the latest model, spending a day out with friends, buying the latest in fashion and so forth.

If these are your thoughts, hold onto it for a couple of weeks. After 2 weeks, think through your intended purpose. Is it a need or a want? Can you live without it? Did you miss out in the past 2 weeks by not having it? If your answer to the questions work out to be more of a want and being able to live without the item while not missing out on anything, then consider saving the extra money from your green packets for something more special that you might need in the future. This way, it would reduce your dependency on your parents to fork out a lump sum of cash for this special something when you require it.

One good example is the purchase of a laptop. While it is an expensive item to buy, it is often seen as a necessity as it helps you along with progressing in your studies and work. If you help save money towards this purchase, you can assist to reduce the burden of having your parents purchase this item for you, either partially or in full.

By simply planning and putting aside the extra money, and giving in to some temptation to purchase all the wants you desire, you will see that purchasing an item with your hard saved money can be rewarding and at the same time, one appreciates the item better, knowing how hard it was to save up for it.

Parents should also help to cultivate a good saving habit in their children through encouragement and good advice. It is important for all of us to develop a habit of not spending the entire amount of our allowance or pocket money. As a start, it is good to try to save 20 cents from every dollar given to you. A simple tip for all is to drop 20 cents into a coin box daily when you come back from school.

During this festive season, for every \$10 of Hari Raya money received, try to drop \$8 into your coin box. It would be even better if you could drop all your Hari Raya money into your coin box, if you are able to live off your regular allowance or pocket money.

For those with bank accounts, you could collect the amount of Hari Raya money you intend to save and deposit this amount into your savings accounts, earning interest accordingly as you save in the bank.

Saving accounts for children and students are common products offered by many banks. Some banks provide children with coin boxes to encourage children to save their coins and eventually deposit their savings into their account. Most banks will pay interest to the savings account either monthly, half yearly or annually. Interests are calculated based on the amount of money that you have saved in the account. The higher the balance that you have in your account the higher amount of interest you will receive.

For younger ones, it's never too early to introduce your child to banking. Standard Chartered Bank has JustOne Savings account. It is a good opportunity to engage your child in banking by bringing them along to open their own account. Being part of the process of opening their account would bring about a greater sense of ownership from the child.

So, think hard about how you can help yourself or your child to save some of your Hari Raya green packet money. The results will be rewarding.