

## Money Matter\$ - 24 July 2025

### By Standard Chartered Bank

#### Title: What's your money personality?

Do you know that there's a connection between your money attitude and habits? How your family background and your parents' approach to money will influence how you behave with money? How recognising your money attitude and making the best of it can help maximise your returns?

Do you also know that you've got money personalities? There are broadly four types of money personalities amongst Bruneians – the money hoarders, those getting started, the avid investors and the conservatives.

The money hoarder will always save for the rainy day, forgo present pleasures for future comfort or enjoyment and find comfort in predictable returns. He would try to avoid getting into debt. He's risk averse and is therefore skeptical about any investment opportunities.

For the person with the "getting started" money personality, he would want higher returns on savings although he isn't necessarily investment motivated. More often than not, he neither has the knowledge nor the time to learn. Thus, a person getting started normally prefers simple, safe savings and values advice, information, personal attention and reliable contact.

The avid investor would prefer the stock market because of quicker returns. He's always looking for better ways to invest and demanding access to information, investment tools, market updates and education materials. He's confident of his decision-making after analysing the information and advice received.

The conservative money personality seeks guaranteed returns and capital. He's comfortable with his financial position and is happy with healthy savings, often using his own expectations as the barometer of financial health. In addition, conservatives prefer property investment; anything other than the savings account, current account and fixed deposits is risky to them.

#### Am I Making the Right Money Decisions?

Now that you know what your money personality is, have you begun to wonder whether your money personality is financially profitable or otherwise? Often, a customer's dilemma is: With all my financial assets, how do I make the right money decisions?

For the average Bruneian, money values and motivators differ among individuals. Surveys have also shown that the man-in-the-street is also unaware of the common financial planning mistakes, has little knowledge about estate planning, has inflated confidence of how he's managing his funds, lacks knowledge to proactively manage his finances and lack the motivation to confront his financial situation. The other reality is that most people are investing too little too late. Do you know that there's a price to pay for being overly cautious? Do you know that if you allocate all your investible monies into pure savings, you'll probably have little chance of preserving and growing your capital? Is no risk really no risk?

Remember that the purchasing power of your retirement dollar may decline due to the effects of inflation. In addition, you'll have to grapple with the danger of capital erosion due to economic forces, and currency risk.

More often than not, the obstacles that prevent so many from achieving their goals are the mistake of not wanting to first establish what their financial standing is and not defining and quantifying their goals, the failure to establish a formal financial plan and the lack of risk management. Other obstacles are

poor asset allocation by putting all eggs or monies into one basket, lack of monitoring and strategy revision and procrastination.

### **Adopting a Healthy Investment Personality**

Understanding your money personality also requires you to reflect upon your investment attitude and outlook. Your investment attitude will also have a direct impact on how you manage your investment portfolio.

Successful investors consistently achieve good returns by setting goals, being diversified, buying more when the stock market corrects, and being patient by keeping focused on the investment return objective. By staying focused on their long-term financial goals and sticking to them, they often disregard short-term market fluctuations and consider a loss a buying opportunity. Successful investors also trust the expertise and experience of financial specialists, depends on facts to dictate decisions and understands the basics of regular, disciplined investment.

On the contrary, the restless trader or punter focuses on daily, weekly or monthly fluctuations, gets depressed over daily price changes and panics by selling out at the first signs of loss. The punter also solicits hot tips from his social network, succumbs to emotions of the moment and fails to explore the benefits of consistent investing through dollar-cost averaging.

So what's your investment attitude? Are you the investor or the restless trader? As an investor, it pays to be focused on your long-term goals. Understand that market corrections do happen – don't play the timing game and let short-term fluctuations sideline your objectives. Lastly, reassess your risk appetites (meaning your attitude towards risks) and personal circumstances and, if necessary, rebalance your asset allocation.

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