

## PERSONAL FINANCE

# Finance basics before turning 30

AS you make the transition from student to working adult in your twenties, there will be some key lessons you'll need to learn as some amount of financial freedom comes responsibilities. Here are some of the most basic financial skills you should've picked up by 30 — and how to go about getting it if you haven't!

→ How to check your credit score — there are many who never do learn how to retrieve their credit scores and these "mythical" numbers end up being something only their bankers are privy to.

Your credit score is like your financial calling card — how can you show it to others if you don't know what it looks like?

Credit scores are actually quite easy to obtain, although not quickly done. You will have to take your IC down to Bank Negara to retrieve a credit report — which means at least a couple of hours of number taking and turn waiting.

→ How to apply for a banking product — and it's not just about knowing how to fill a long form and stapling supporting documents to it. It is more important to know how to compare products — read agreements effectively and make financial decisions in line with your goals.

→ Basic retirement planning goals and practices — if you enter your thirties thinking you are still too young to

worry about retirement, you're going to be in for a rude shock!

Before you know it, you will be 45 with no retirement pot. As many experts have pointed out, your EPF savings won't be enough.

The plan doesn't have to be complicated. Use the retirement planning tools online, invest in an endowment or alternative investment fund or if you can afford it, hire a financial planner to do the legwork for you. But most importantly, diligently stick to the plan you've created.

→ How to balance other people's financial needs and your own — this is an important skill as many find themselves in money trouble through no

fault of their own.

It could be a troublesome sibling who always expects hand-outs, parents or a spouse who's not the best at money management.

It will be a useful trick to learn how to balance taking care of others without putting your own finances in jeopardy. It's one of the most difficult to learn on this list but you will be glad you made the effort. Sometimes it's as simple as learning to say "No".

→ Money management — while it's the most obvious item to be on the list, it is still missing in many a 30-year-old's list of know-hows.

You don't have to be a master investor or debit and credit balancing wizard — know-

ing enough to budget, plan for eventualities and make sound financial decisions will suffice.

If you are well-versed with these and have moved on to estate planning and full-on investing, kudos to you. Financial management is definitely a life skill that will take you far.

If you've missed the boat on learning it at school, you'll still be able to pick up tips and tricks on the Internet to help you manage your money like the best of them.

*Diana Chai is editor of RinggitPlus.com, which believes all Malaysians should have access to free, accurate and independent personal finance information.*