

Money Smart Guide for Tertiary Students

The lives of tertiary students are filled with exciting activities - studying, living in halls, making new friends, and taking on part-time jobs. They are not as easy to attain without solid financial management. Let's take charge of your personal finance to make college life even more enjoyable!



Money Management Q&A

?

I have a part-time job and will be staying in student hall, how to cope with all the new expenses?



When you have control over your expenses, you can ensure your hard-earned money is used on the things you need. The first thing in managing your finances is to track spending. Then you have to develop a habit of budgeting and save before you spend, you can then better manage your finances and easier to achieve your life goals.

The IFEC Money Tracker mobile app

- ▶ Convenient tracking of income and expenses
- ▶ Expenses are categorised for better budgeting
- ▶ Plan and budget for financial goals
- ▶ Set savings goals and work out how long you will need to achieve them
- ▶ Budget and track shared expenses with hallmates



iOS



Android

Free Download:



Should I borrow Non-means-tested loan to settle tuition fees?



Tertiary students can consider different student financial assistance schemes to help settle tuition fees or/and other expenses. The non-means-tested loan scheme operates with a floating interest rate that may fluctuate due to market changes. Loan interest is accrued upon loan drawdown until the loan is fully repaid. So it is important to be aware of the borrowing costs and repayment amount before making a decision.

[Working Family and Student Financial Assistance Agency - Repayment Calculator for Students Applying Loans](#)



“Buy-now-pay-later” or “credit card interest-free instalment plan” is a good shopping option?



Nowadays it is very common to use credit cards or “buy-now-pay-later” for online shopping. Making purchases by instalments without paying interest is indeed attractive, especially when you have limited budget. However, you are taking on a huge risk when you make purchases through borrowing. If you miss an instalment, you have to pay handling fees and high interests on the outstanding amount and may get in debt.

The third money management tip for you is to distinguish between “needs” and “wants” before buying and avoid spending beyond your means.

Online tool – Borrowing and Debt Calculator

- ▶ Consider your affordability before taking up a new loan
- ▶ Regularly review and calculate your debt outstanding
- ▶ Calculate repayment amount, repayment period and cost of borrowing



<https://bit.ly/3r6P7mp>

You Have To Repay Your Loans



No matter you are obtaining loans from the government agency or financial institutions, it is crucial to make payment on time and in full. Your credit score can suffer if you fail to do so. Poor credit score can make it difficult to secure loans in future, including mortgage loan. It may even negatively impact your job prospects.

Understand credit reports. Borrow responsibly. <https://bit.ly/3QChTiG>



I have a good part-time job income and some savings, how to make an investment?



You may not have much to invest at this stage, but you can enjoy the benefit of time and start investing young. The fourth money management tip for you is to take advantage of compounding and dollar cost averaging in long-term investment. Start making a small fixed amount of stock or fund investment on a regular basis. The effect of market fluctuations can be reduced by averaging out the costs of investment over time. Profit gained over time is also significant when the investment growth in the form of dividends and capital gains. Also you should understand the product features and risks involved before investing. You should also regularly review your investments and their related risks.

Online learning – Getting started investing

- ▶ A series of animation explains the key investment concepts in simple way.




<https://www.ifec.org.hk/web/en/other-resources/multimedia/video/animation-series.page>

Online learning – Understanding virtual assets

- ▶ A section of feature articles introduces the virtual assets.




<https://www.ifec.org.hk/web/en/financial-products/fintech/ico-bitcoin/index.page>



Track your expenses and create a budget



Make loan repayment on time and in full if you borrow



Avoid spending beyond your means



Make long term investment to grow your wealth



4 Money Management Tips for Tertiary Students

Test your financial intelligence.
Take the challenges now:



“Escape room”
FQ game for tertiary students



“Money-verse”
Personal Finance Combat game
for tertiary students



Start your financial planning journey
to achieve your life goals
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Instagram [@ifec.thechinfamily](https://www.instagram.com/ifec.thechinfamily) to learn more!



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