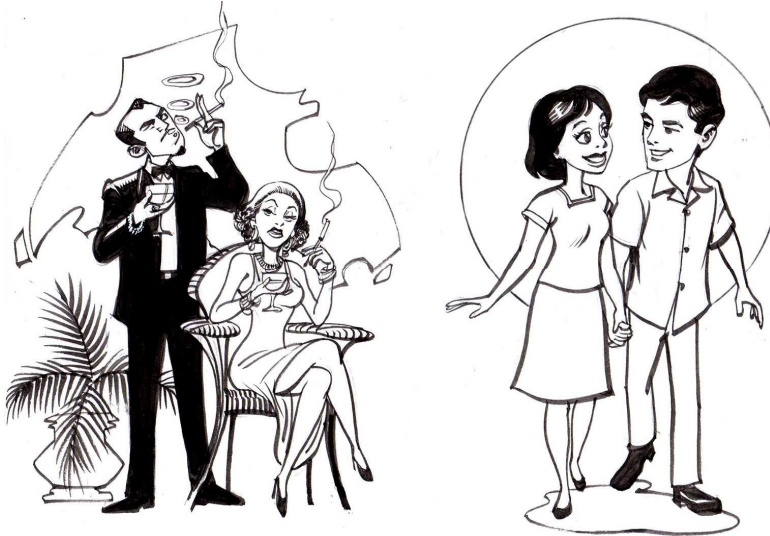


True Wealth & Savings



WHAT IT MEANS TO BE WEALTHY

Would you be able to recognize a rich person just by looking at him? Probably! Most people can easily imagine how a wealthy person would look like – he or she wears fine clothes and expensive jewelry, drives a nice car, owns a big house, eats at fancy restaurants, goes on vacation abroad and hangs out with the famous and powerful people in society. *Kadalasan, mayaman nga ang ganitong klaseng tao.* But not all of them are! Some of them could be experiencing financial difficulties just like many ordinary Filipinos. *Marami ang mukhang mayaman lang o “rich ang ar-rival” pero naghihirap din pala sa pera katulad ng maraming Pinoy.* There are also people who can afford an extravagant lifestyle

only because they are earning well in their present job or in their business. But once they lose their job or their business fails they cannot continue their lavish way of life and may be forced to live simply or even poorly. *Hindi maituturing na tunay na mayaman ang mga ganitong tao.*

You are “truly wealthy” only if you can continue to live comfortably the lifestyle you desire even if you never work another day in your life. In other words, you are wealthy if you can retire in comfort permanently. This is what **true financial wealth** is all about; *patuloy kang mamumuhay ng maayos at maginhawa kahit hindi ka na nagtatrabaho at parelax-relax na lang.* This ideal situation is also referred to as financial independence or financial freedom. *Ang paborito kong tawag dito ay “financial peace of mind,” dahil wala nang gugulo sa iyong isipan pagdating sa pera.*

Our definition of true wealth means that a company Vice President who earns P150,000 monthly, owns a big house in an executive village, drives a sports utility vehicle, owns the latest gadgets and gizmos, frequently visits a trendy night club and regularly plays at the casino is not considered wealthy if he cannot sustain this lifestyle the moment he stops working. He may even be forced to sell his possessions just to survive.

Ikumpara mo si VP kay Mang Pandoy (hindi siya yung poster boy ni FVR) na simple lang ang ligaya sa buhay. Mang Pandoy is an ordinary and hardworking employee who spends his money wisely and always sets aside part of his monthly salary for his savings. Through the years he was able to accumulate a big amount of money. Mang Pandoy is confident that once he stops working he would be able sustain his simple and stress-free lifestyle. *Sino sa tingin mo ang matatawag na tunay na mas mayaman?*

If your idea of being rich is owning vacation houses in Baguio, Tagaytay and Boracay, maintaining a fleet of luxury vehicles, and having money to burn on a monthly trip abroad for shopping then *good luck na lang. Baka tunaw na lahat ng yelo sa North Pole hindi mo pa rin ito maabot.* Achieving true wealth has a lot to do with the lifestyle you choose and not just about how much money you earn. Earning millions doesn't automatically make you rich, especially if you are also spending millions to support your extravagant lifestyle. Regardless of how much you are earning now, you are capable of achieving true wealth if you choose how to live your life wisely. *Mas simpleng buhay, mas maliit ang kailangang ipundar para yumaman.*

To know if you are financially stable right now, try to imagine what would happen if you suddenly stop receiving your salary. Will your family survive without having to alter your way of life and for how long? If you can live comfortably for the rest of your life with little financial stress then congratulations; *tunay ka na mayaman at pwede mo nang ibigay sa iba itong libro dahil hindi mo ito kailangan.* However, if you need to drastically lower your standard of living to ensure your family's long-term survival or you are not even sure if you can survive at all, then you are far from being financially secure. Keep reading because you have a lot of work to do to improve your financial situation.

THE IMPORTANCE OF SAVINGS

A healthy amount of savings is the foundation on which you will build your personal wealth. Without any savings it is impossible for you to achieve financial security. *Pwera na lang kung ikaw ang solong tagapagmana ng daan-daang milyon ng mga magulang mo.*

But you can't be too sure. What if your parents decide to give most of their wealth to charity? *Magkakamot ka na lang ng ulo.* Building wealth requires that you consistently save (and invest) money for many, many years; starting now until you can retire in comfort. Even if you have no intention of becoming wealthy, you should still save for three important reasons.

1. Survive a financial crisis.

Sooner or later every family has to face some sort of financial crisis. This financial crisis could be in the form of an accident, illness, job loss, failure of a business or sudden death of the family's breadwinner. The amount of savings you have will ultimately determine how well you can survive a financial crisis. *Maari mong malampasan ang pinansyal na krisis kahit wala kang sapat na ipon pero maaring mauwi ito sa panghabang-buhay na pagkabaon sa utang.*

Sometimes the lack of savings can even make the situation worse, like a family member dying unnecessarily due to lack of funds for proper medical treatment. "*Saving for the rainy days*" will spare your family from huge financial losses and ensure your survival when a crisis strikes. Adequate savings will give you peace of mind and help you sleep better at night knowing that you will be able to handle a financial emergency that comes your way.



Kapag may isinuksok, may madudukot.

2. Improve the lives and well-being of the family.

It is nearly impossible to buy anything of high value if you do not have any savings. While it's true that money cannot buy happiness, it can certainly buy things that will improve the quality of life of your family. Sufficient savings can help you buy a nice decent house, a car, pay for your children's quality education or allow you to invest in a business. It also allows you to treat your family to occasional simple pleasures like vacations that are good for bonding. *Nakakabuti din sa pagsasama ng mag-asawa ang pagkakaroon ng sapat na ipon.* Many couples quarrel and even separate due to money problems. With enough savings you will have one less thing to argue about; it helps keep the relationship healthy.

I really don't understand why some people insist that they don't want to be rich. *Para bang masama ito. Ang sabi naman ng iba, maraming problema kung mayaman ka.* They probably don't understand what true wealth means. There's nothing bad or evil about being wealthy. Financial stability will solve more problems than it creates, if any. It is all right to aspire and work hard to build wealth and achieve financial security so you can let your family enjoy the good, but not extravagant, life. It is not greed; *TLC (tender loving care) yan para sa pamilya.*

3. Enjoy your golden years.

With great advances in medical and health care and greater awareness about fitness and healthy living, many of us can expect to live to a ripe old age. *Kawawa ka kung iaasa mo lang sa gobyerno ang panggastos mo kapag retired ka na.* The money you'll get from SSS or GSIS will barely feed you and you could find yourself working way past the age of 65 or to-

tally dependent on your children if you do not prepare well for your retirement. Saving regularly while you are still working will help you avoid being forced to continue earning for a living after you retire. To ensure that your golden years will shine and let you do the things you enjoy, start saving today the funds you will need for the future. *Kung magtatrabaho ka man pagkatapos magretiro ito ay dahil gusto mo at hindi dahil kailangan mo!*

For many Pinoys, financial security will be hard to achieve while in their 40s or 50s. But that should not stop you from hoping and working to make your retirement financially stable. *Isa sa dahilan kaya ka nagpapakahirap magtrabaho ngayon ay para maranasan mo ang maginhawang pamumuhay sa iyong pagtanda.* Starting to save early will allow you to retire early, giving you more time to enjoy the fruits of your hard work.

Patriotic reason to save

Aside from the obvious personal reasons, people's savings are also important to the country's sustainable economic development and financial stability. Long term savings can provide financing to companies to expand their operation which promotes economic growth. *Kung mas maraming iniipon na pera ang mga tao, mas marami ang pwedeng ipahiram sa mga kumpanya para palawakin ang kanilang operasyon. Ang paglakas ng negosyo ay maari ring magbigay ng mas maraming trabaho sa mga Pinoy.* Voluntary savings are also the most frequent source of microfinancing, which helps the ordinary people, especially the poor, start businesses that increase their income and keep them out of poverty. The more you save, the more you help the country's economy and the more people you help escape poverty. *Kaya mag-impok na!*

THE STEPS TO TRUE WEALTH

Unlike some people who are born rich, the average Filipino will have to exert a great deal of effort to achieve true wealth; it will take a lot of sacrifices and it will take many years to attain. But do not be discouraged because it can be done during your lifetime. With discipline, unwavering determination, relentless drive, “*sipag at tiyaga*,” positive attitude and adequate knowledge about personal finance you can do it. *Kaya mo, Pinoy!*

It all begins with “believing” that regardless of what you have right now and regardless of how much you earn, you have the ability to achieve financial freedom. *Kumbinsihin mo rin ang iyong sarili na ang dami ng pera ay walang kinalaman sa halaga ng iyong pagkamtan.* Being rich doesn’t mean you are more worthy as a person. *May ibang mayayaman dyan na kung umasta akala mo hari at reyna ng mundo.* They act as if they have more rights and privileges than ordinary people. *Huwag mong pansinin ang mga ‘to, masisira lang ang araw mo.* Instead, concentrate on what you need to do to achieve the financial freedom they enjoy and promise yourself not to behave like them once you have it.



Aanhin mo ang palasyo kung
ang nakatira ay kuwago.

Here are the 12 steps to build your personal wealth and turn your dream of financial independence to reality.

1. Understand and overcome the obstacles to building wealth.
2. Know what you want and dream big.

3. Find out where you are and what you have.
4. Make saving a lifelong habit.
5. Spend your money wisely.
6. Get out and stay out of debt.
7. Find ways to earn more, to save more.
8. Prepare for life's financial challenges.
9. Plan for a hassle-free and comfortable retirement.
10. Grow your money through smart investing.
11. Take care of your health to enjoy your wealth.
12. Share your blessings and receive more riches.

Starting today, memorize these steps. Always keep them in mind so you will stay focused in your quest for financial independence. *Itaga mo ito sa bato: makakamit mo ang tunay na yaman kung palagi mong susundin ang mga hakbang na ito. Pangako yan!* I strongly recommend that you read through all the steps even if you think you already know it because you will probably pick-up some new information and valuable insights.

Wealth building should be an enjoyable pursuit. Do not allow it to become a burden because you will just give up. And never turn it into an obsession. *Kapag puro na lang pagpupundar ng yaman ang iyong aatupagin, makakalimutan mo na kung paano mamuhay ng tama kasama ang iyong mga mahal sa buhay.* Enjoy the fruits of your hard work once in a while.

To make your flight to financial freedom enjoyable, do not equate your success or failure in life with how much money you have.

Wealth and success don't always go together. You can achieve one without the other. *Pero kaya mo rin namang makamit pareho ang dalawang ito!* It's really all up to you.

Your journey begins...