

ME & MY MONEY

Retiree reaps rewards of early planning and lifetime of savings

Former banker, 64, can afford \$10k holidays, with planning which began in her late 40s

► Leong Chan Teik

AT 64, Ms Yong Siow Ying can now sit back and reap the rewards of the savings and investments she accumulated throughout her working career.

"I knew I couldn't leave my retirement finances to chance. I had to plan!" says Ms Yong, in an interview at her double-storey terrace house near Sembawang Shopping Centre.

She worked for 31 years at the former Overseas Union Bank (OUB), where she retired from her position as a senior vice-president four years ago.

She was once the personal assistant to the late OUB chairman, Mr Lien Ying Chow.

Ms Yong now applies her banking experience as a volunteer counsellor, two days a week, at Credit Counselling Singapore.

There, she advises debt-ridden people how to manage their money, and works out multi-year repayment plans.

Other days, her life takes on a leisurely pace as she plays golf at the Singapore Island Country Club, works out at a gym, and meets friends for lunch.

When the mood strikes her, she cooks bak kut teh or chilli crab for her brother's family who lives in the Sin Ming area.

Ms Yong is single, and has been living by herself since her parents, who had been living with her, died a few years ago.

Q *Your home is lovely. Has it been a good investment too?*

A It's the first property I bought. The year was 1972. It's 2,000-sq ft and freehold, and cost me \$80,000. I bought it for my parents to live with me. After my father died three years ago, I pumped in \$300,000 to renovate the house.

I couldn't do anything earlier because my parents were against the idea of moving out for six months. And to them, renovating the house was just a waste of money.

Q *How has the value of the house risen and fallen in the recent past?*

A At the peak of the last property cycle, my neighbour's house, which was in its original condition, sold for \$1.2 million. When the market fell, asking prices were as low as \$600,000.

I wanted to sell my house and move into a flat after my father died but there were no takers. In the end, I decided to stay put until I'm old and incapacitated. I'm told the current market value of this house is about \$900,000.

I once had a property invest-

ment — a 99-year leasehold studio apartment in Centrepoint Shopping Centre. I bought it in 1985 for \$230,000 and sold it last year for \$390,000 because investing in property is no longer attractive.

Q *Unlike many people, you have not moved from home to home. What might this say about your money character?*

A I don't have a trading mindset. Same with my shares — I don't move in and move out of them. Many a time, even when my shares had doubled in value, I still won't take profit. As long as they give me enough dividends, of 3 to 4 per cent a year, I'm quite happy to keep them.

Q *Has there been a terrible investment in shares?*

A My first investment was in 1969. I sunk \$7,000 into the shares of a Malaysian-listed company, a penny stock. After one year, I lost all the money when the company closed down.

It taught me one lesson: If I want to invest in shares, I should do so only in blue-chip stocks. For a few years, I kept my savings in fixed deposit before I started buying shares again — shares such as United Overseas Bank and Keppel Corp. That's also when I thought of planning for my retirement.

Q *Wow, such long-term planning?*

A In my late 40s, I started



THANKS TO EARLY PLANNING, Ms Yong (right), on vacation in Russia with a friend, has the money to reward herself with good meals and holidays even after retirement.

planning. It wasn't too early. At that time, the retirement age was 55. I started to list my expenses, and what could be cut when I retired — like having sharkfin soup during meals, like buying jewellery and branded goods. If I needed \$6,000 a month then, I would need about \$3,000 only in retirement.

Q *What other investments did you make?*

A I bought annuities that would

Q *How much annuity have you bought?*

A When I reached 55, I invested \$45,000. I bought another annuity for \$300,000 when I retired at 60. The first annuity now gives me \$380 a month while the other one, \$1,500 a month.

I also have endowment policies that will mature in the future and give me lump sums of cash. I have also invested in Singapore Government bonds and corporate bonds that give dividends of at least 3.5 per cent a year.

For higher yields, I have gone into dual-currency deposits. Unfortunately, I have a paper loss because the Singapore dollar has strengthened so much.

Q *What about insurance for health care?*

A I bought IncomeShield when I was around 50 even though I was still covered by my bank-employer. IncomeShield covers all my hospitalisation expenses for life.

Q *What do you do with any spare money?*

A I will treat myself to good meals with friends and go on holidays. Since retirement, I have been to places such as Russia and Shanghai and Yunnan in China, and gone on an Alaskan cruise. I don't stint on holidays: I don't stay in two- or three-star hotels.

Next month, my sister who lives in Canada will fly to London to join me for a month of travelling through England, Ireland, Scotland and Wales. And there's a Mediterranean cruise next year. It'll cost about \$10,000 — have money, must spend!

Q *If you figure that some of your money will outlast you, who might you will it to?*

A It would be to my younger siblings. I've been giving to various church funds and organisations such as the Dover Hospice.