



‘He Moni Whakaata’
Sponsored by: Te Taurawhiri i Te Reo Maori
Presenters: Beau Taare and George Konia

Saving and Investing – He Whakatipu Moni
Presenters: Manihera Taare and George Konia

Overview Tirohanga Whanui	
Why should we Save	He aha tatou e tohu moni ai?
Reasons why we don't save	Nga take e kore ai tatou e tohu moni?
Tips for saving	Etari tohutohu o te tohu moni
Making a savings plan	Me pehea te whakatakoto he kaupapa/mahere mo tohu moni
Why should we Invest	Ha aha tatou e whakatipu moni ai?
Compound Interest	Inaterete tapara, hua-nui!
Investment Types	Nga momo whakatipu moni
Recap	Ano!

Why should we SAVE? He aha tatou e tohu moni ai?

“For a rainy day” (emergency) Mo a ko atu! Mo te wa ohore!

Retirement Mo to kaumatatanga

To buy stuff Hei hokohoko mai i nga mea e hiahiatia ana!

Saving for a Rainy Day (Emergency)

What is a rainy day (emergency) “for you”? He aha te wa ohore ki a koe?

Emergency fund He moni mo te wa ohore

Saving for Retirement

Start now!	Timata atu inaianei tonu!
Retirement lifestyle i.e. how much will it cost – NZ Super unlikely to cover this cost	Ka kaumatuatia – he aha nga utu ka ea i to penihana?
Need to plan and start saving!	Me timata inaianei!

Saving to buy STUFF

Helps us get the things we want	He whakatukituki i nga hiahia
Is the cheapest way to buy	Ka ngawari te hoko mai
It's better than going into debt	Kia kua e noho nama
Helps us develop the habit	Whakawaia ki te tohu moni

Reasons why we don't SAVE

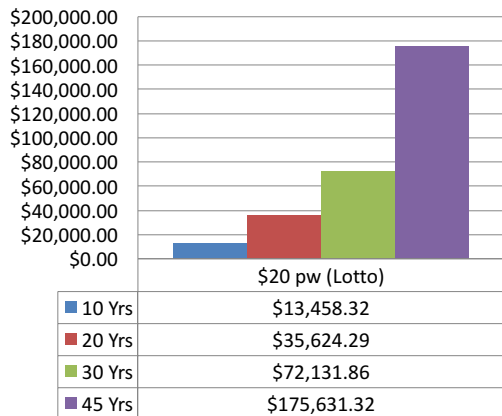
Nothing left after paying all the bills	Kua pau katoa i te utu pire
Always something else to spend the money on	He tirohanga ka i nga wa katoa
No control over spending!	He moumou moni!
What other examples?	Etahi ano?

Tips for SAVING

Start now	Timata inaianei!
Spend less save more	Kia kaha ake te tohu, i te whakapau moni
Be realistic with your goals	Whaia nga taumata ka taea!
Automatic/make it a habit	Kia waiakite tohu moni
Write it down	Tuhia!
Make a plan and stick to it	Kia u ki to kaupapa
A little amount over a long period (lotto)	Ma te iti, ia wa – ka ea!

Example using Lotto

Example: Lotto Savings Plan



Lotto weekly spend: \$20

Annual spend: \$1,040

Interest rate: 5%

Savings period: 45 years

Total saved: \$46,800

Interest earned: \$128,831

End value: \$175,631

Making a savings plan

What's the goal?

He aha te taumata?

What will it cost?

He aha te utu?

How much can be saved?

Me pehea te tohu?

How long will it take?

Kia pehea rawa te roa e tohu ana?

How will I start?

Me pehea te timata?

Investing Whakatipu Moni

Why should we invest?	He aha te take e whakatipu ai tatou i te moni?
make our money work for us	Hei oranga mo apopo
Buying things that put money in our pockets	He hoko mea e whai hua ana
How we grow money over time and reach our long-term goals	Me pehea te whakatipu moni kia eke ai nga tino hiahia

The power of Compound Interest

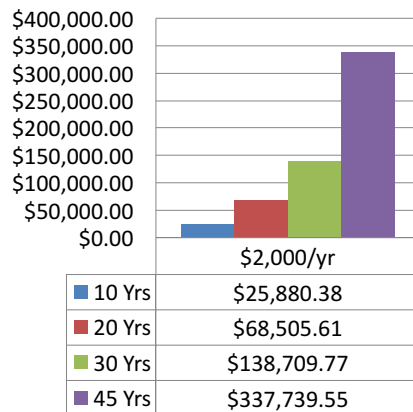
Albert Einstein, when asked what he considered to be the most powerful force in the universe answered: "Compound interest!"

*E ai ki a Albert Einstein koinei te kahanga tino nui rawa o te ao katoa:
"ko te inaterete ka tuaruatia"*

What is compound interest?	He aha te inaterete tuarua?
Interest on top of interest. The longer the interest compounds the more powerful the effect is on your savings.	Ko te inaterete kai te whangai i te inaterete. Te roanga ake e whangai ana katahi ka kaha ke atu te tipu o te moni

Example

Savings Plan: \$2,000 yr



Savings plan for a 20 year old to age 65

Annual savings:	\$2,000
Interest rate (monthly):	5%
Savings period:	45 years
Actual amount saved:	\$90,000
Interest earned:	\$247,740
End value of investment:	\$337,740

Investment Types

Cash (bank)

Moni (kei ro peke)

Property (your house)

Taonga (to whare)

Shares (sharemarket)

Hea (ki te makete)

Direct investment vs
managed funds

He moni hangai atu, te
rereke ki nga moni he
tangata ke kei te tiaki!

RECAP

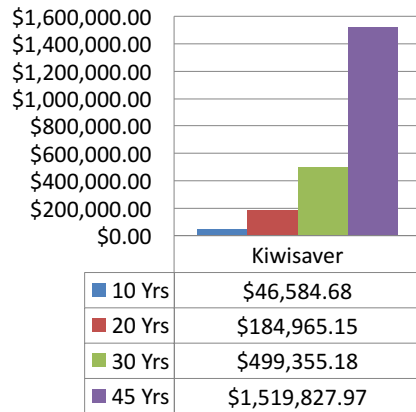
Why save?	He aha te take e tohu ai i te moni?
Tips for saving	Etahi momo tohu moni. Hei whakaaro
Savings plan	He kaupapa tohu moni
Why invest?	He aha te take e whakatipu moni ai?
Compound interest	Ina terete ka taparatia hua nui
Investment types	Nga momo whakatipu moni
Educate yourself!	Kia kaha to ako!

Tools for Saving and Investing

[Sorted.co.nz](https://sorted.co.nz)
[The shape of money.co.nz](https://theshapeofmoney.co.nz)

Example

KiwiSaver Plan



KiwiSaver plan for a 20 yr old to age 65

Annual savings to Yr 10:	\$3,600
Annual savings to Yr 20:	\$5,400
Annual savings to Yr 30:	\$7,200
Annual savings to Yr 45:	\$9,000
Interest rate (monthly):	5%
Savings period:	45 years
Actual amount saved:	\$297,000
Interest earned:	\$1,222,828
End value of investment:	\$1,519,828