



# Investment Planning



# Back 2 Basic

## (B to B)

### Investment

an asset or item  
acquired with the  
goal of generating  
income or  
appreciation.

### Speculation

involves  
situations where  
the expected  
value is  
unknown.

### Gambling

the  
consciousness  
of risk and  
hope of gain.

# Outline

**Capital Market**

**Yes, can .... Scam**

**Risk & Return**

**Investment Portfolio**



# Capital Market





# Working Capital

The money a company requires  
to fund its day-to-day  
operations.

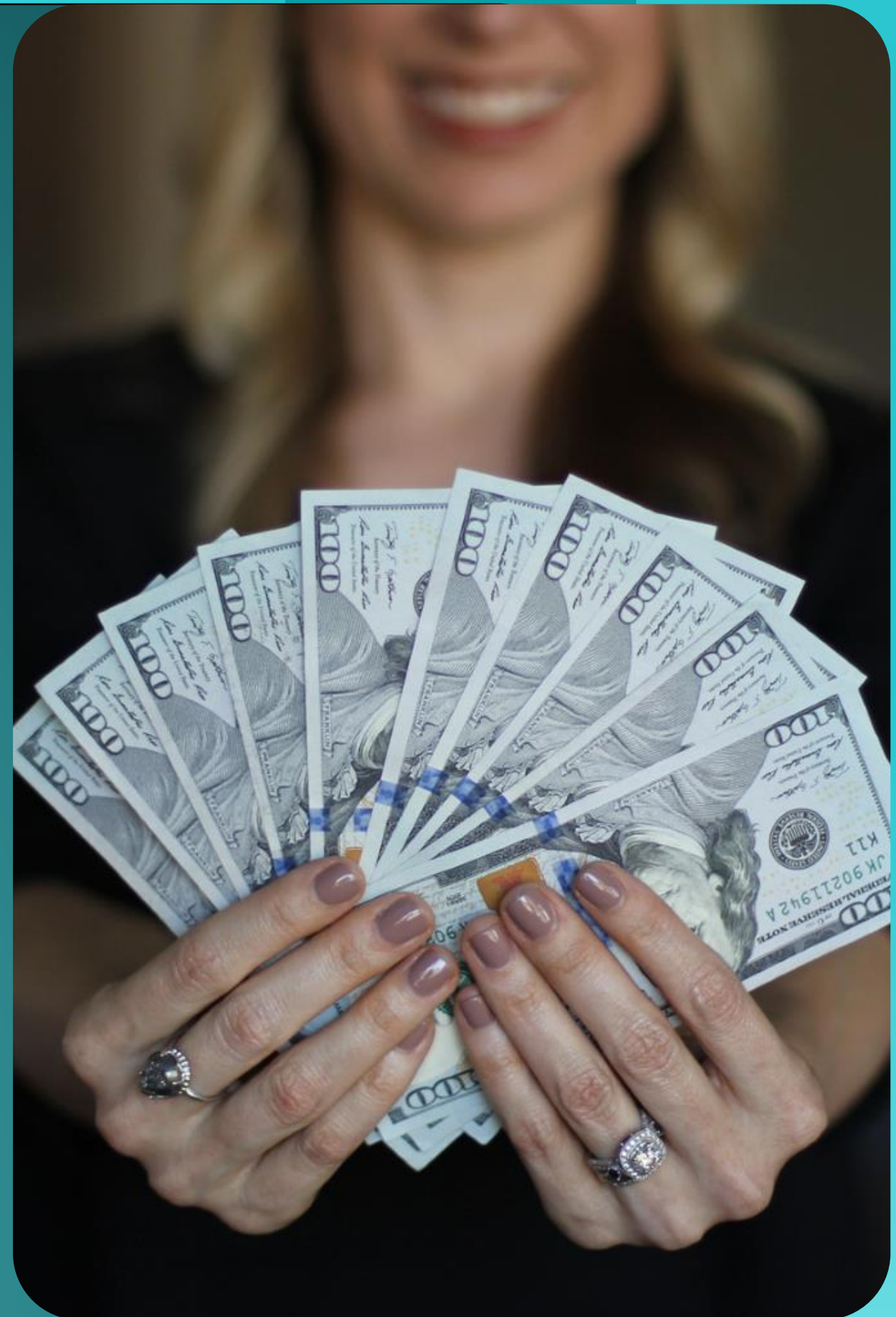
Equity Financing  
(selling shares)

Debt Financing  
(borrowing)

Retained Earnings  
(using own profit)

Asset Sales  
(selling asset)

Where The Money Comes From



## Equity Financing

1. Investors become Shareholders – outsiders
2. Dilution of Ownership – reduce existing ownership
3. Loss of Control – decision-making

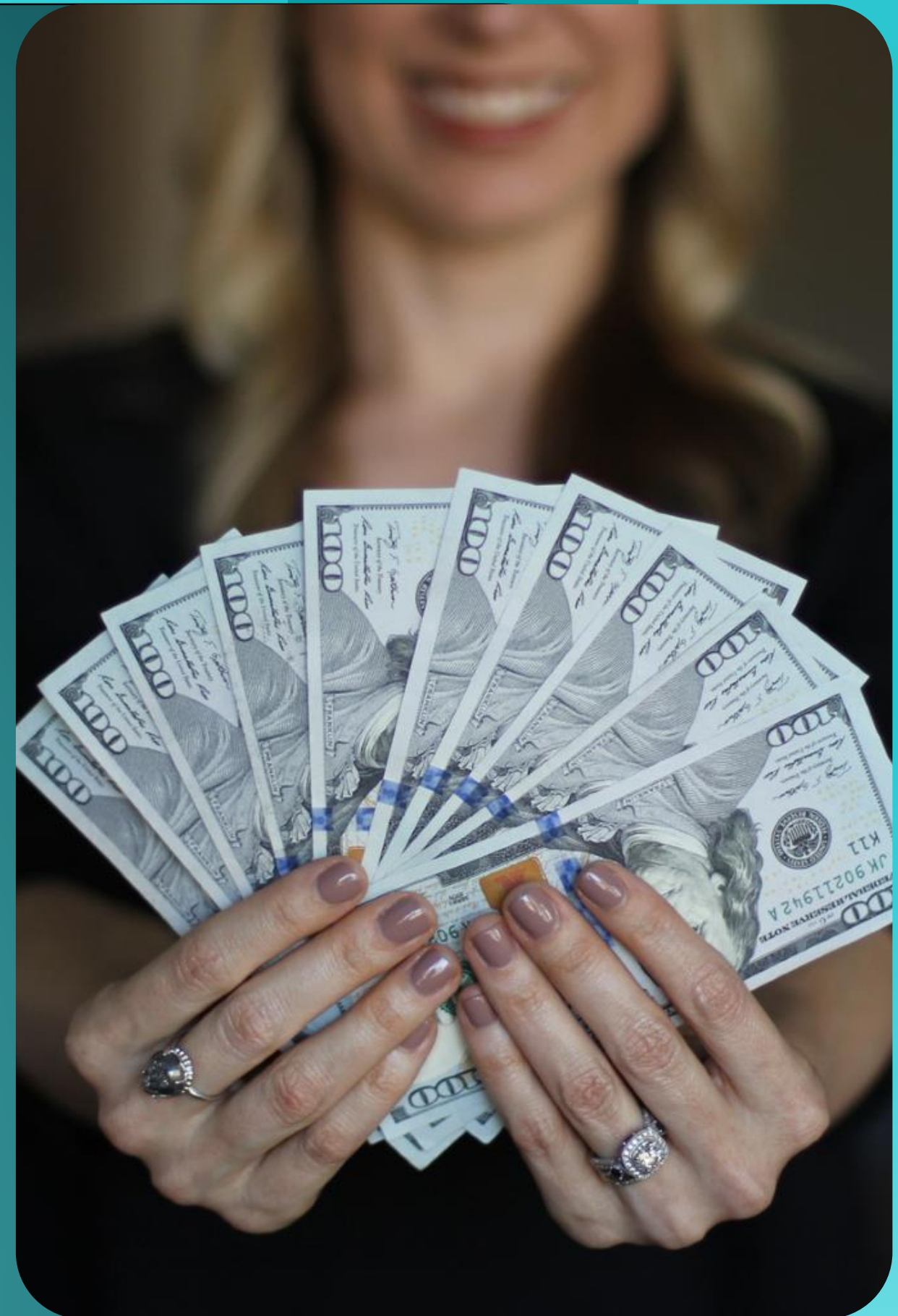
Company's Perspective



## Debt Financing

1. Requires regular interest payments
2. Too much debt can strain cash flow
3. Defaulting on debt

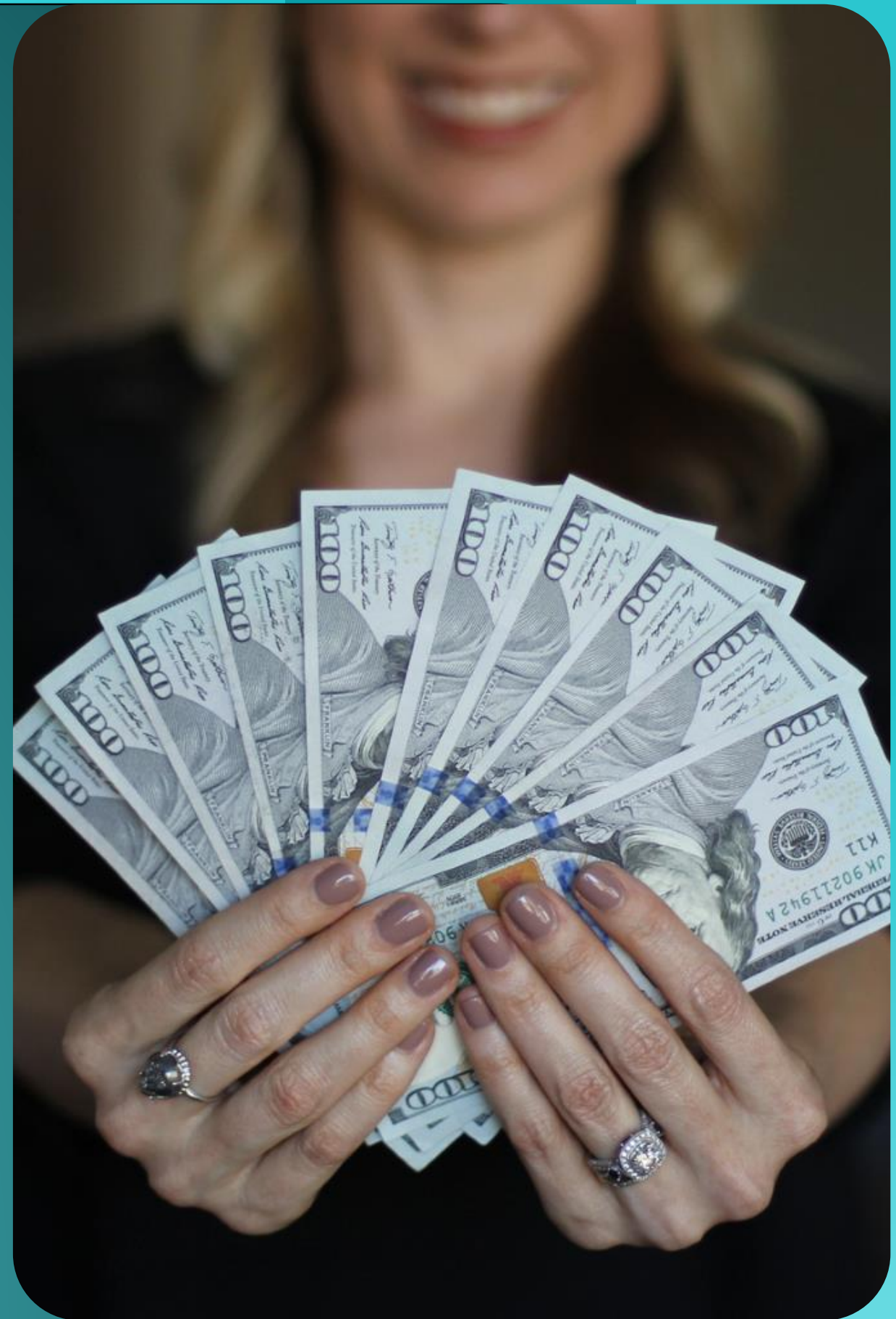
Company's Perspective





Dividend Income  
VS  
Fixed Income

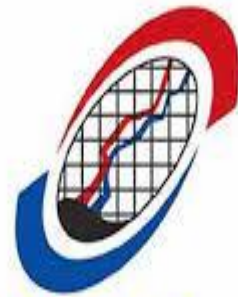
Investor's Perspective



# Capital Market



**Suruhanjaya Sekuriti**  
Securities Commission  
Malaysia



**BURSA**  
**MALAYSIA**



**BANK NEGARA MALAYSIA**  
CENTRAL BANK OF MALAYSIA



# Yes can... Scam Financial Market Products



## money market

- extremely liquid financial instruments are traded, i.e. monetary instruments of short-term nature are dealt.

## capital market

- for long-term securities. It is a market for those securities which have direct or indirect claims to capital.



# Financial Products

## **Equity/Bond**

capital appreciation, dividend & fixed income

## **Banking/Insurance Product**

deposit & savings

## **Unit Trust / Asset Management**

fund management

## **Derivatives**

option & future

## **Gold / Antique**

hedge against inflation

## **Alternative Investment**

high risk high return

# Risk vs Return





# Investment Risk

## Risk

- Market Risk : market fluctuations.
- Credit Risk: issuer defaulting on payments.
- Interest Rate Risk : changes in interest rates
- Liquidity Risk : inability to buy or sell an investment quickly
- Industry Risks: refer to particular sectors or industries.
- Company Risks : related to the performance of individual companies.

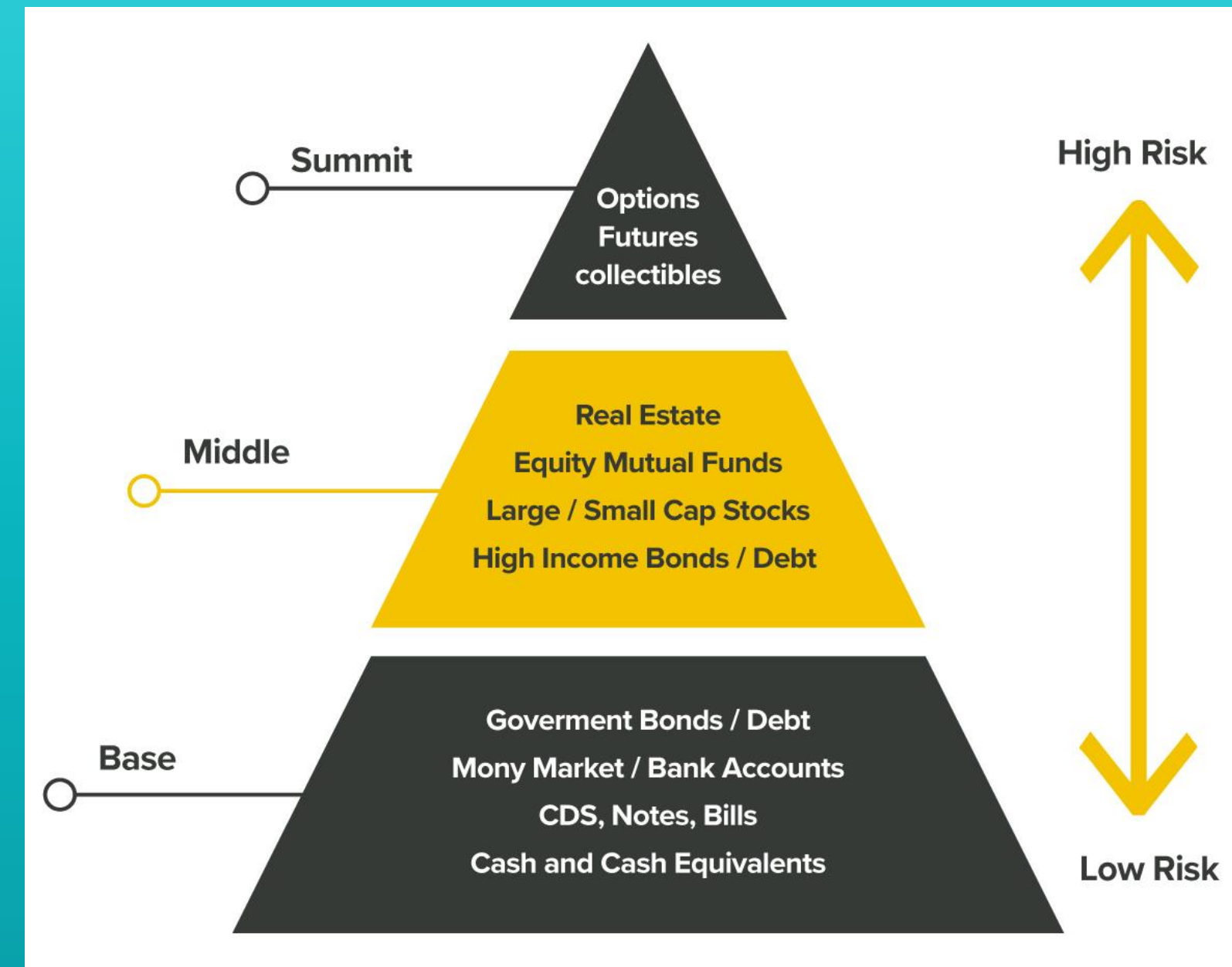
## Return

- Capital Appreciation
- Interest Rate – Fixed Income
- Coupon Rate - Yield
- Dividend Income
- Bonus Issue



# Investment Risk Management

- Diversified Investment Portfolio:
  - Spread investment across different sectors and asset classes to reduce risk.
- Research and Analysis:
  - Conduct thorough fundamental and technical analysis before making investment decisions.
- Stop Loss and Take Profit Levels:
  - Set predefined levels to limit losses and lock in profits.



# Investment Portfolio

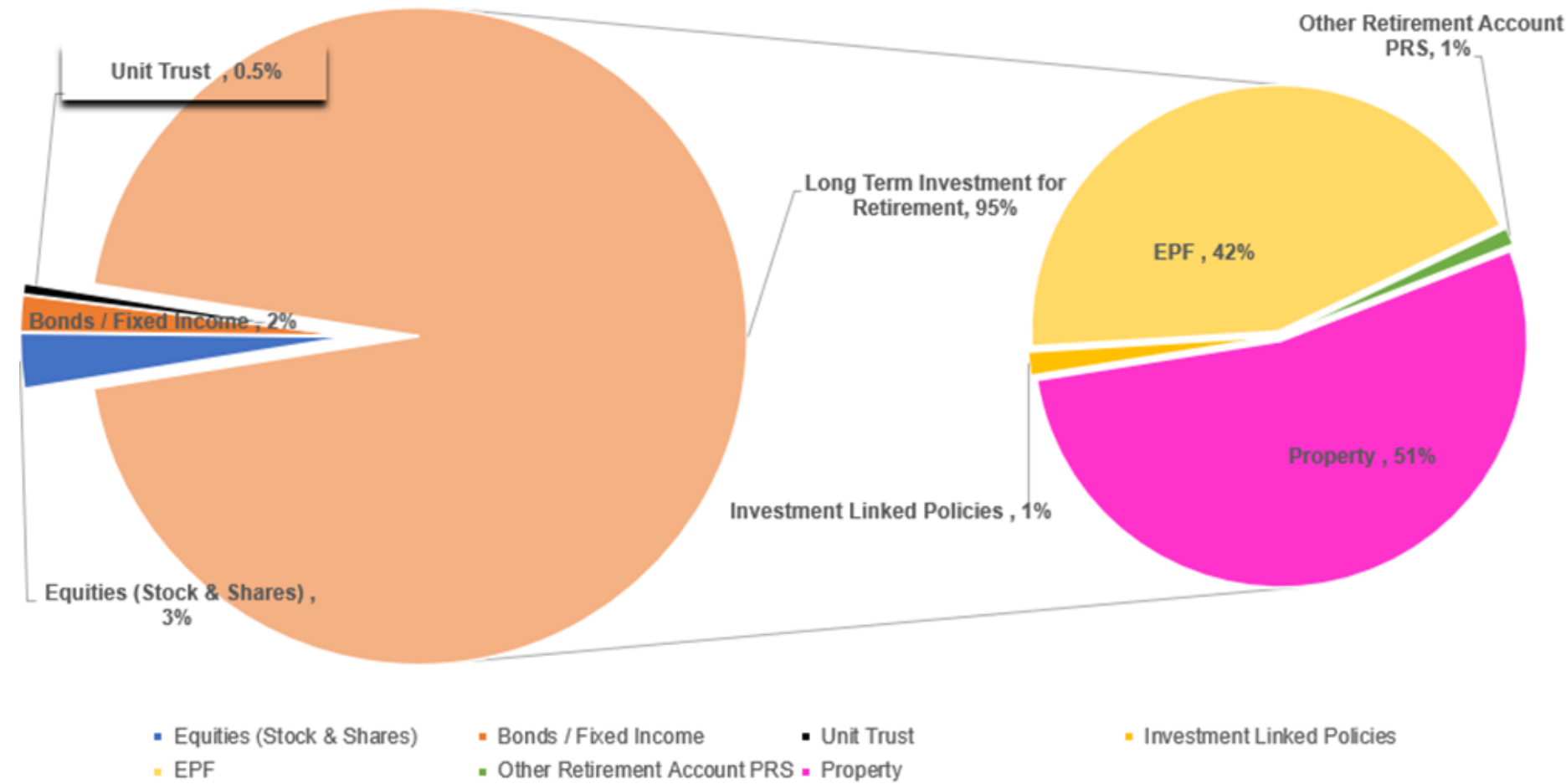
Category	Conservative Portfolio	Moderate Portfolios	Aggressive Portfolios
Common stock	10	50	70
Bonds	50	20	0
Foreign securities	0	20	30
Short-term securities	40	10	0
Total Portfolio	100%	100%	100%

“dividing investment portfolio into various asset classes”

# Portfolio Diversification

Investment Portfolio @ 31 Dec 2021

Computation of Portfolio Return					
Investment Assets	Amount	Current Allocation	Return (R)	Weighting (W)	R x W
Equities (Stock & Shares)	15,000	2.72	12.00%	0.0272	0.33%
Bonds / Fixed Income	10,000	1.81	6.00%	0.0181	0.11%
Unit Trust	3,000	0.54	10.00%	0.0054	0.05%
Investment Linked Policies	8,200	1.48	6.00%	0.0148	0.09%
EPF	230,000	41.65	5.50%	0.4165	2.29%
Other Retirement Account PRS	6,000	1.09	15.00%	0.0109	0.16%
Property	280,000	50.71	5.00%	0.5071	2.54%
<b>Total</b>	<b>552,200</b>	<b>100</b>		<b>1.0000</b>	<b>5.57%</b>
					SD : 1.54

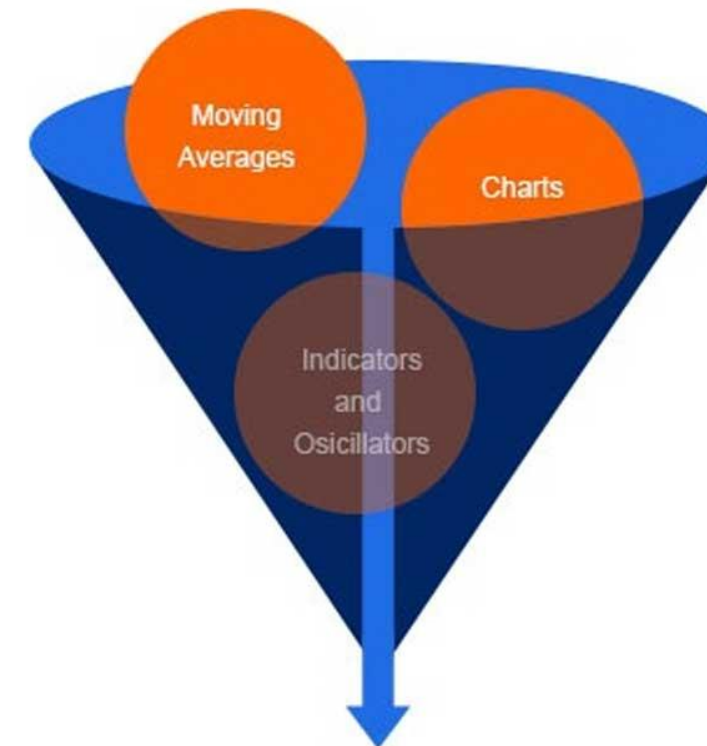


# Fundamental Analysis



VS

# Technical Analysis



- **Fundamental analysis** uses economic and financial indicators to evaluate a potential investment, while **technical analysis** uses market data to predict the future price of an investment.

- **Technical analysis** can be useful for determining when to invest quickly, while **fundamental analysis** can be beneficial for determining whether an investment is worthwhile in the long term.

# Investment Planning 123

1. Set Financial Goals
2. Risk Profile (KYC)
3. Educate Yourself
4. Start Small
5. Diversification
6. Dollar-Cost Averaging
7. Monitor and Learn
8. Consider Robo-Advisors
9. Seek Advice if Needed

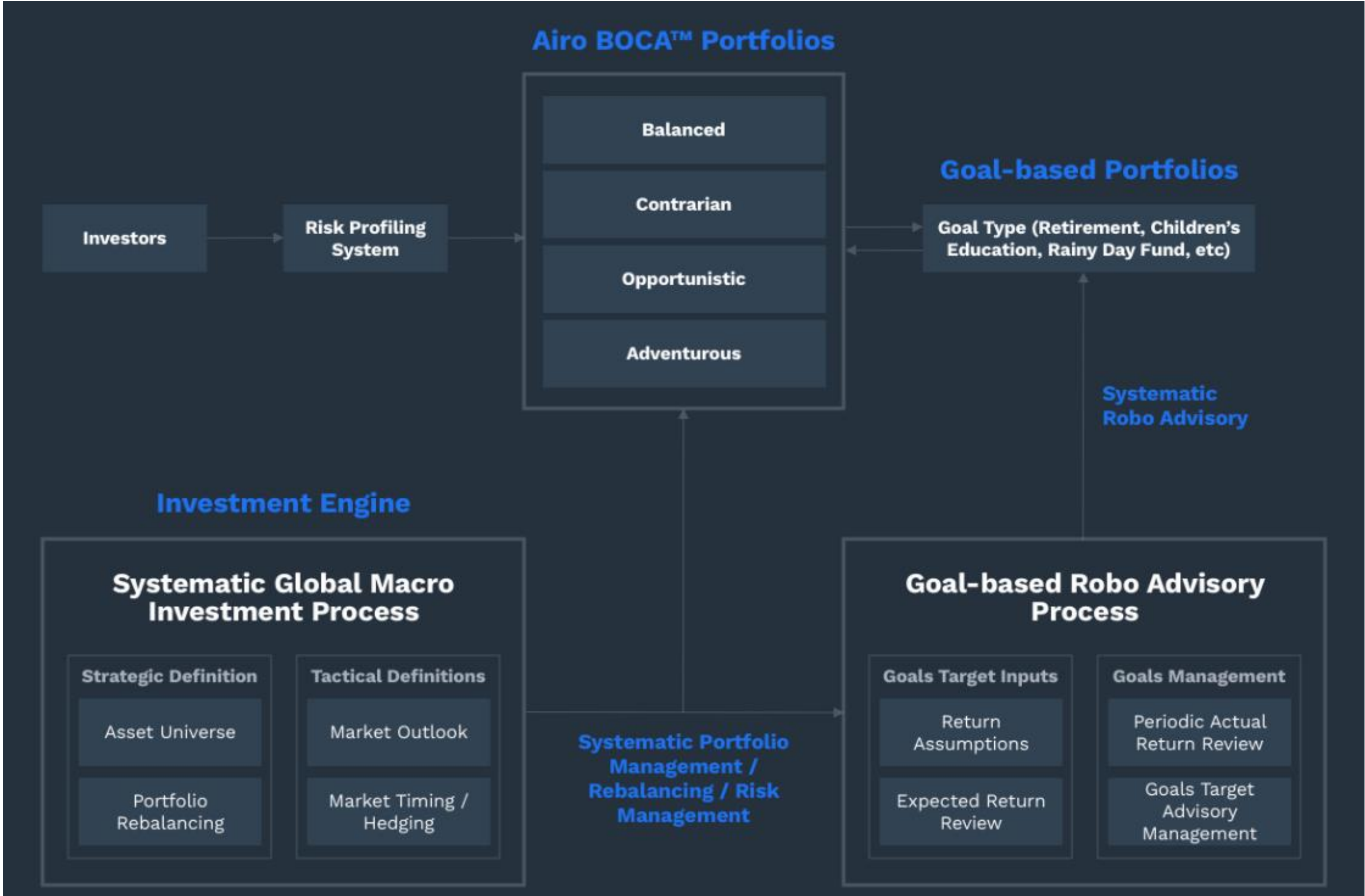


## Robo-Advisor

robo-advisor which helps anyone to invest any amount of money by digitally setting up financial goals and **deploying investments cheaply and quickly**. It uses **algorithms to analyze client's financial goals and preferences** and generate personalized investment plans.

the A.I. constantly improves its **predictions** by comparing its **projections against live data** outcomes in real-time, adjusting computational variables, all in rapid succession, without being explicitly programmed to do so. That's **machine learning**.

1. Akru Now Sdn Bhd
2. BH Global Fintech Solutions Sdn Bhd
3. GAX MD Sdn Bhd
4. Raiz Malaysia Sdn Bhd
5. StashAway Malaysia Sdn Bhd
6. UOB Asset Management (Malaysia) Bhd
7. Wahed Technologies Sdn Bhd
8. Kenanga Investment Bank Bhd (KIBB)





# Why Other People Make Money But Not Me

## **Most Likely .....**

- Impulsiveness
- Lack of Knowledge or Experience
- Over Confidence
- Herd Mentality
- Inability to Tolerate Volatility
- Lack of Discipline
- Failure to Diversify
- Neglecting Due Diligence
- Greedy

## **By nature .....**

- Market Fluctuations
- Poor Investment Choices
- Lack of Diversification
- Timing
- Unexpected Events
- Leverage
- Fees and Expenses
- Inflation
- Economic Downturns



**THANK YOU**

