

A person in a blue suit is holding a tablet. The tablet screen shows a table of financial data with columns of numbers and some red and green highlights. The background is a blurred image of a server room or data center with rows of server racks and glowing lights.

FINANCIAL PROFICIENCY for YOUNG ADULTS

WOLFGANG RIEBE

CSP



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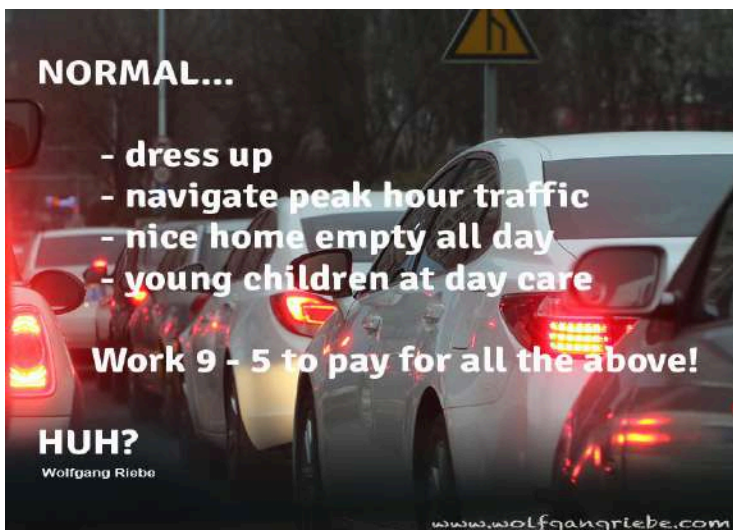
FOREWORD

During the past few months I have been presenting numerous financial literacy lectures at various universities around the country for final year graduates in all faculties, from medical to economics students. This has been a real treat for me as I so enjoy sharing life experiences, especially when it comes to money. Also, the millennials of today think so much differently to us baby boomers. I often wonder what would have happened if we had someone share this vital information with us when we were in our late teens/early twenties? How different would our lives be today had we been informed how to work with money and what adulthood really means?

Nevertheless, as I developed this keynote, and now as it changes and adapts to the needs of young graduates today, I realise that even older people do not really get the importance of understanding finance. How many people over 55 do you know that are financially able to retire comfortably and have actually put a decent investment plan in place to see them through their later years?

So without wanting to sell you anything, or write about complex investment strategies, I thought that I would share 12 simple, yet vitally important tips for you to think about, share with family and friends, and most importantly, apply in your life. I decided to put pen to paper after realising what most people in the world consider to be 'normal'.

NORMAL = dress up - navigate peak hour traffic - nice home empty all day - young children at day care. Work 9 - 5 to pay for all the above! HUH?



Surely there is more to life? Being inspired, understanding the self and being spiritually enlightened is all part of it, but we cannot forget about financial security either, as this is becoming tougher and tougher for all generations. Here are 12 tips I trust helps you plan a financially secure future life. Watch the intro video [here](#).



ACKNOWLEDGEMENT OF THE SELF

Only once you come to terms with who you are as a unique individual and accept the self, can clarity guide you forward.

As a young adult/graduate you need to accept that you are a professional who thinks differently to all generations before you, including your parents. Understand that as a millennial you are the first generation to grow up with Internet access in your formative years. Our generation never had that - it took us ages to access information, and then we were limited to what was available in our libraries. Today instant and global connection with differing countries, people, religions, and beliefs is the norm.

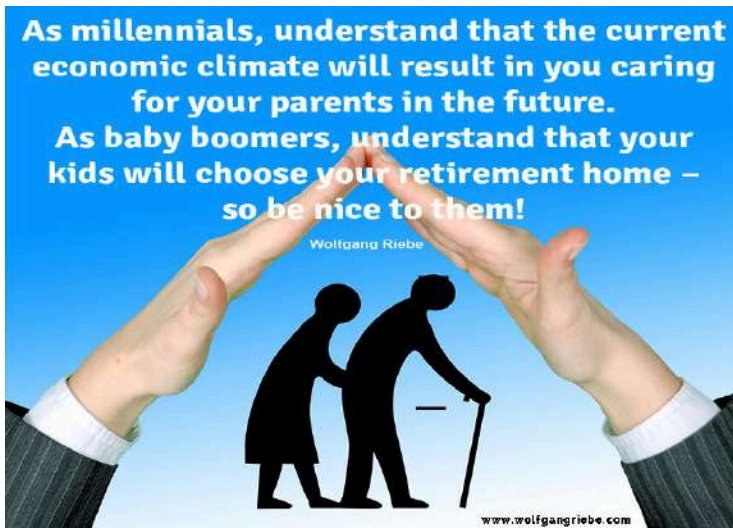
You are the most culturally diverse generation to date! That is huge! Plus access to tertiary education has been widely more available for your generation. Realise that even if you think that you are growing up in a crazy and incredibly fast changing world, you are the best equipped generation ever to cope with change and what the future brings. You need to comprehend and appreciate this, plus become excited about the limitless future potential you have in your own hands.

You can watch video lesson 1 [here](#).



YOU ARE THE 'SANDWICH GENERATION'

As millennials, understand that the current economic climate will result in you caring for your parents in the future. As baby boomers, understand that your kids will choose your retirement home - so be nice to them!



Many people think of my generation, the baby Boomers, as having had, and still having it tough. Why? Because many of our parents were World War II refugees whose families lost everything; hence our only inheritance was looking after our parents in their old age. Plus we had our own children to bring up – you! Has the world improved since then? If anything the world economies have become more complex and they have become tougher, plus we spent all our money looking after everyone else. Many of my generation don't have sufficient pension plans, plus we may even live longer than our parents. Who do you think is going to look after us?

You!

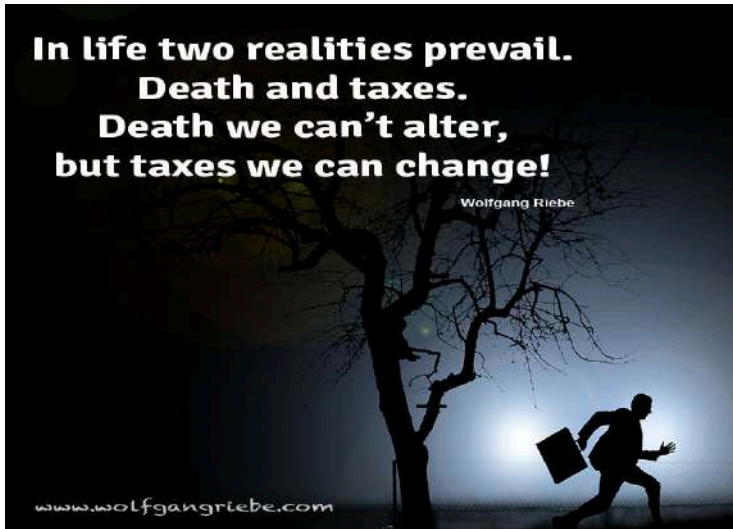
Hence you are now the real sandwich generation. However, unlike us that never realised what life was throwing at us, you as a young graduate now have the opportunity to plan accordingly and cater for your future. In our days financial planning and thinking of a future was not really part of our mind set, nor did anyone really think of talking to us about it. Now is the time for you to inform yourself and start investing in a secure financial future. Remember, it's not just your children you will have to look after in the future; it's your parents and possibly your parents-in-law too!

You can watch video lesson 2 [here](#),



YOU WILL PAY HIGHER TAXES

*In life two realities prevail. Death and taxes!
Death we can't alter, but taxes we change!*



As a qualified graduate you will earn a higher salary and hence pay more taxes - this is simple logic. Many new professionals make the mistake of assuming that if they are offered a job of, as an example, 20K per month, that is what they will put into their pocket! Imagine the disappointment when that first pay-cheque arrives and a large chunk has been deducted for taxes! Therefore you need to make sure that you have the right tax consultant and also know the tax laws and what you need to pay, what you can claim, etc.

If you enter the job market with a mature and informed approach on taxes, you will learn the discipline early in life to come to terms with this. Remember, there are only 2 sure

things in life, you are going to die, and you are going to pay taxes.

Death you can't do much about, but taxes you can at least inform yourself from day one so that you at least make it bearable!

You can watch video lesson 3 [here](#).



UNDERSTAND BUDGETING

Budgeting is not asking for a 'Balance Inquiry' at the ATM. It's about meticulously understanding the difference between needs and wants and knowing what you can afford.



It is said that what is acumen to some is ignorance to the majority of people. Do you know how most people balance their monthly account? They go to the ATM and ask for a 'Balance inquiry'! They spend without realising what they are spending! If you are not in control of your expenditures you will never have any money! You need write down exactly what you intend to spend every month and account for every cent. Sadly you cannot simply 'impulse' buy anything and everything you desire. You need a well thought out plan with exact details of what you can and cannot afford to purchase every month.

Do you want to be one of those people whose monthly statement of what you owe the bank is preceded by a drum

roll before you open the envelope? If anything, try holding back on owning a credit card for as long as you can. And if you do have one, remember that the monthly limit set by your bank is not an added salary or target for you to spend! It's not your money – it's called a 'credit card' for a reason – it's credit! And if you spend it you have to pay it back at a large interest rate!

Even if there is a rewards program connected to your credit card, that is not a bonus – you are still paying for those rewards. Understand this now and save lots of future financial stress.

You can watch video lesson 4 [here](#).



PATIENCE - LEARN TO SAVE

Saving is not buying an item at a sale for 25% less. It's not buying the item at all and instead investing the money you would have spent!



When I started my career, I was in a profession that didn't allow me to get a credit card immediately. Today I realise that this was the best learning curb for me ever. I had to learn to save for everything I wanted. Guess what, by the time I had saved up the money, I realised most things were not that important anymore. You see, we have been brought up in an instant gratification world and this has led us to spend money unnecessarily and impulsively. Having a credit card does not help! Even today I notice that when I see something really intriguing on the Internet that is not too pricey, it's very tempting to just buy it then and there. Do that a few times and your budget is ruined!

Hence you need to learn to plan short, medium and long term financial goals and stick to them. Also, and this is incredibly important, decide what you want to save every month – this should be at least 10% of your money and pay yourself first. In other words, before any expenses and bills are paid, you first need to put your investment money aside. Only then do you pay your expenses with what is left. If you can't do this – seriously relook at your monthly budget plan.

My personal advice is to divide everything into 3 and use what I call the Mercedes principle. Look at the Mercedes star, it is divided into 3. Use one third of your money for investing and another third for expenses. And finally as you worked hard for your money, use the last third for fun – after all, you need to enjoy some free and fun times too!

You can watch video lesson 5 [here](#).



BUILD A CONTINGENCY FUND

An emergency saving fund gives you peace of mind.

**An emergency
savings fund
gives you
peace of mind.**

Wolfgang Riebe



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This needs to be money you set aside for emergencies and unexpected happenings in life. They do happen and they will happen. As a graduate you have a degree and hence stand with you back against the wall as no one can take your knowledge away from you. But what happens when life throws you a curveball. Those are usually the times the banks don't want to offer you credit and you cannot get a loan. Hence you need to consider saving up somewhere between 3 to 6 months of your salary that should cover you if anything goes wrong.

Believe me, when you have such a fund you tend to be a lot more relaxed and confident as you know you don't have to rely on anyone else should trouble arise. Some people also refer to this as a 'Go forth and multiply fruitfully' fund – but not quite in such polite terms! In other words if you are not happy in a situation and you need to tell someone off, most people cannot do this as they cannot afford to say how they feel. This fund allows you that freedom!

You can watch video lesson 6 [here](#),



SAVE FOR RETIREMENT IMMEDIATELY

Old age happens sooner than you think. The time to start saving for retirement is yesterday!



Ask any person 55 years of age, or older about time, I one hundred percent guarantee they will all tell you it goes too fast, and the older you get, the faster it goes. Furthermore, they will all tell you that their minds are still thinking as if they were young, but their bodies don't seem to follow suit anymore. In fact every older person will also tell you that they never even thought of getting old one day, especially when they were younger and in their 20's. The thought of ageing was the last thing on their minds!

Now that they are older, they question. "What happened? Just 10 years ago I was twenty - and that was 40 years ago!" Do you realise that if a 50-year old wants to retire at age 55, they can't,

as they have to save 150% of their salary? If they want to retire at 65, they have to save 27%!

Who can afford that?

However If you are 30 years old and want to retire at 65, you only have to save 8%. So imagine if you start saving at 20? You will have to put aside much less than an older person. However, these are just example figures. What happens now that you may still have to look after children and other family members, you or your partner may become sick? All these factors play a huge role! Remember, old age happens much faster than anyone ever anticipates - start saving as much as you can right now!

You can watch video lesson 7 [here](#).



LAST WILL & TESTAMENT

Preparing a Last Will & Testament not only gives you peace of mind, but also for those around you.

**Preparing a Last Will & Testament
not only gives you peace of mind,
but also for those around you.**

Wolfgang Riebe



As a young adult this is no doubt the last thing on your mind. As an older person, have you got a Last Will & Testament? We all have had someone in our friendship circle that has either died of a sickness, or in an accident. Did they have a Will? If not, do you have any idea at the amount of stress and red tape that was involved for the remaining family to finalise the possessions that remained? Did this person promise anything to anyone in case of their death? Is someone laying claim to your car and the remaining family had no knowledge of it? What about the tax man - is their inheritance tax if they did have any valuables?

Who is going to have the legal right (probate) to deal with your estate? Your next of kin? What happens if it's your parents and they are divorced? Who did you appoint? Dealing with an intestate (no will) estate can be a nightmare for those that remain. Plus if you have taken the advice in these 12 tips and started an investment portfolio, what happens to that? Who gets what?

Of course there are those people that claim that once they are dead, it's not their problem, especially if they don't have much. But what about your legal next of kin and if they have limited spare cash too? Who is going to pay for the burial costs? Have you covered yourself for this too?

Again, the younger you start, the less it costs you per month. Be responsible and make provision by having a last will and testament.

You can watch video lesson 8 [here](#),



NEVER CASH IN SAVINGS

Savings are there for the future. To negate the temptation of spending your nest egg, always save what you can afford while still leaving something extra over to enjoy today.



Research seems to differ on whether millennials will change jobs frequently, or remain longer in one career. Currently the belief is contrary to earlier research and that as millennials you will remain longer in one job. Of utmost importance is that you must also remember that you have entered/are entering a job market in a time of recession and much economic turmoil. This means that odds are that you are starting a career from a much lower base than had you started in the good times. Thus young adults today have to plan their financial future more carefully than the generations before.

Therefore it is imperative that you plan your savings and your investments and stick to these religiously. Plus budget your life so well that you never have to touch this money should you change jobs. Cashing in planned investments only damages your future financial goals and could easily result in you not having enough for retirement one day.

You can watch video lesson 9 [here](#).



COVER ALL RISKS

Murphy exists! And you will meet him one day! Are you prepared? Make sure you always cover all your risks.

Murphy exists!

**And you will meet him
one day!**



Are you prepared?

**Make sure you always
cover all your risks.**

Wolfgang Riebe

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Accidents can happen, life can throw curveballs at you that you never expected. When it comes to risks, some you control, and others you don't. For example, I am in control of what I eat, how I look after my body and how often I exercise. If I look after myself I should remain fit and healthy. If I don't look after my most precious asset, my own body, I may well get sick and not be able to work. Therefore I am, within reason, in control of my ability to perform my job and live my life.

However, a car accident, or a genetic inheritance of a disease is a risk I have no control over. What happens if I need to travel and pick up a sickness? What happens if I injure myself at work

and become handicapped? Are you covered for such an uncertainty? As a graduate your parents have invested a lot of money in your career, or you have taken out a huge loan that needs to be repaid. Not forgetting that you worked and studied your butt off to graduate.

What happens if suddenly you cant work due to unforeseen circumstances and still have a student load to pay back? Are you covered in case of such an event? Take it a step further - you marry and have children and something happens to you that you can no longer support your family - are you covered for such a risk? This is not being negative - this is acting responsibly! Never forget that the world owes you nothing, even if you believe otherwise. If you want a right to live happily ever after - you need to take the responsibility yourself to make sure that you can!

You can watch video lesson 10 [here](#).



FIND A PROFESSIONAL FINANCIAL ADVISOR

You may be a specialist in your field, but you can't be an authority on everything. Let those who know about money help you achieve your financial dreams.



**You may be a specialist in your field, but you can't be an authority on everything.
Let those who know about money help you achieve your financial dreams.**



Yes I know you think you are clever. You may be an experienced business professional, specialist, but in this course, odds are you're a university graduate. That's just it - you are a specialist in your field! Unless you studied economics and the financial markets, you are highly likely to have a very limited knowledge of the world of finance and investments. As the world develops and markets change, this industry becomes more complex and it's only really specialist financial advisers that have the backup from large financial institutions, plus the access to this information.

Bear in mind that there are thousands of unit trusts, shares and financial packages out there. Where will you ever find the time to compare, or even investigate a fraction of the offerings available in the global market today?

Find yourself a financial advisor with a good track record that you can connect with and whom you trust. Build a relationship over years so that he, or she learns to understand how you think, what your needs are and where they can assist and guide you. It makes your life a lot easier.

You can watch video lesson 11 [here](#),



ALWAYS REMAIN INFORMED

Change is inevitable, as is technology advancement and economic development. If you don't continually educate yourself and remain up to date, you will be left behind.



Sadly we live in a world where blame is the norm. Everyone wants to blame everyone else for their own shortcomings. Reality check! If this is who you are, you seriously need a slap and to get your act together. Nobody is to blame for your current situation, except yourself. If you had an investment that went wrong, you and only you gave the okay to go into it. I doubt anyone put a gun to your head and forced you to take it. By the way, did you read up on the type of investment, the risks involved and the factors that could influence future growth? We all like listening to horror stories, but do we have the real background to them? There are always three sides to every story, i.e. yours, mine and the truth! Blaming someone

else for an investment that went wrong when you just blindly signed a document is your fault. Believing that an investment that is too good to be true is a win win for you, is called greed, or naivety - you choose! If you have the time to watch soap operas, and read gossip on Facebook, how come you don't have a few minutes a day to buy yourself a financial book and read a page, or two a day so that you can inform yourself how the system works and what all the terminology means?

When you put money into a financial product, have you done your 'due diligence' and actually found out what the risks involved are? Many people promote diversity in investing - fair enough, but if you are interested in a particular type of investment and you have meticulously informed yourself about all the risks and opportunities involved, then you take a way more informed decision than by going into something blindly. You always need to take the responsibility yourself - therefore make a point of remaining informed.

Watch video lesson 12 [here](#),



ABOUT THE AUTHOR:



Wolfgang Riebe is a globally acclaimed magical keynote speaker who has inspired millions with his mesmerising performances and motivational speeches. A towering figure in both the magic and speaking industries, he is a best-selling author of over 60 books on magic, business, and inspiration. With over 30 years of experience, Wolfgang has captivated audiences in more than 165 countries, from Hollywood to Singapore, and has starred in over 200 television shows, including his own prime-time series.

Wolfgang's journey began in South Africa, and he has since lived in the UK, Germany, and Switzerland. In 2012, he earned his Certified Speaking Professional (CSP) designation from the National Speakers Association in America, a prestigious honour held by fewer than 750 speakers worldwide at the time. He made history as the first two-term national president of the Speakers Association for Africa and has shared his insights as a TEDx speaker. His groundbreaking research culminated in his acclaimed book, "Complexity Simplified," which has been cited by over 300 doctoral students.

Wolfgang's adventures are as diverse as his achievements. From walking with penguins in Antarctica to exploring the Arctic icecap and surviving force 12 hurricanes, he has lived a life that most can only dream of. His books reflect his passion for sharing his wisdom and helping others find meaning in their lives. Wolfgang embodies the KISS principle, believes in the magic of life, celebrates milestones, and charts paths to future success. He is a rare speaker who practices what he preaches and truly walks his talk, making him a world leader in his field.

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