

# Your Financial Goals

“ Financial goal setting is the link between your money and what you would like to accomplish in life.

## Exercise

- Step 1:** Identify all of your financial goals.
- Step 2:** How much time do you have to achieve each goal?
- Step 3:** Why do you want to achieve that specific goal?
- Step 4:** Write down any notes that you need to keep in mind.
- Step 5:** What amount would you need to reach your goal?
- Step 6:** Calculate more or less how much you would need to save per month.
- Step 7:** Look at your Financial Blueprint (budget). What is the total amount that you can realistically afford to save / invest per month?
- Step 8:** Look at your Financial Goals. Which goals are vital to start saving for now?
- Step 9:** Take the amount from Step 7 and the goals from Step 8 to allocate how much you are going to save / invest toward those specific goals per month.
- Step 10:** Take action!
- (a) Add the financial goals you're going to start saving for now to your monthly Financial Blueprint (budget); and,
- (b) Take out investment products from a reputable investment manager.

## Financial Goal Grid Illustration

My goal	Time horizon	Why?	My notes	How much I think I might need	Amount needed per month	Can afford now (per month)
Start an emergency fund	24 months	Unforeseen circumstances. Possible job change.	Separate investment account.	R60 000-00	R2 500-00	R1000-00
Buy an apartment	5 years	Want my own place to live in.	Save R200 000-00 for a deposit and transfer costs.	R1 400 000-00	+/- R3 333-33	N/A
Start saving for retirement	40 years	Spend time with my grandchildren.	We don't have a pension or provident fund at work.	R 5 000 000-00	Not sure	R500-00
Buy a new car	48 months	For the love of driving!	Look at possible financing options in the meantime.	Perhaps R300 000-00? (Deposit of R50 000-00)	+/- R1 041-67	N/A
Do an MBA degree	6 years	Career advancement / learning & growth.	Research programmes at different universities.	R250 000-00	+/- R3 472,22	N/A