

Webinar: Inflation & Smart Investment!

The Department of Banking and Risk Management organised a webinar entitled “Inflation & Smart Investment!” on 11 August 2022 from 11am to 12pm through Microsoft Teams. The speaker for the virtual talk is Industrial Advisor for Faculty of Business and Finance (FBF), Universiti Tunku Abdul Rahman (UTAR), Dr Angeline Ng Siew Huan who is the Head of Corporate Finance and Strategic HR at Ayer Holdings Berhad. This one-hour webinar attended by 82 participants included UTAR staff and students.

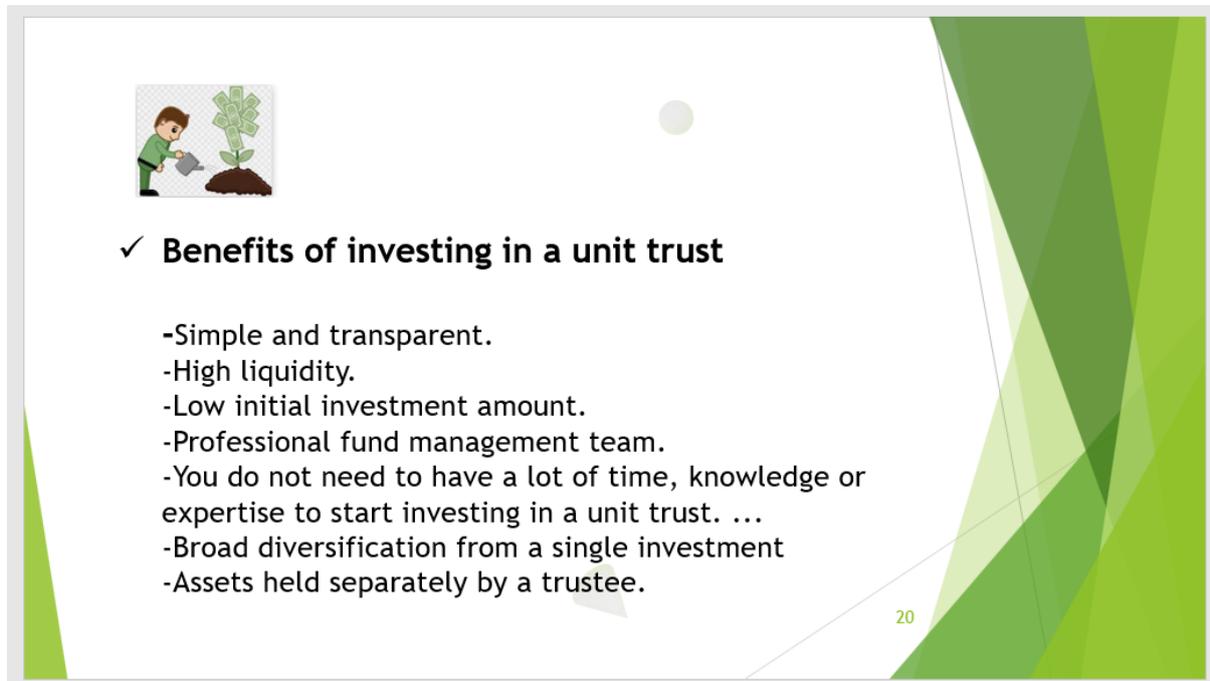


The speaker: Dr Angeline Ng Siew Huan

This webinar aimed to give exposure in making investment decision based on the current economic condition of high inflation rate. Dr Angeline started the talk by explaining the importance of investment in life. She had shared the surveys that showed people were more worried on inflation rather than Covid-19 and the consumer price index had risen in value. Fears in investing is crucial among potential investors as people are fear to uncertainty. She was explaining on the yield curve of treasury bond which can resulted in recessions.

She continued by providing few types of investments that are available in the market such as cash, fixed deposit, stock, unit trust and cryptocurrency. Cryptocurrency is one of the riskiest investments but able to provide a very good return. She was explaining on how to manage cash. We should save our money in bank to earn interest on saving. Besides, she also explained that

investing is differed from gambling as investing involved with technical analysis. She did mention on few examples of good stocks such as Apple, Facebook, Nike, McDonalds, Tesla, and Google.



✓ **Benefits of investing in a unit trust**

- Simple and transparent.
- High liquidity.
- Low initial investment amount.
- Professional fund management team.
- You do not need to have a lot of time, knowledge or expertise to start investing in a unit trust. ...
- Broad diversification from a single investment
- Assets held separately by a trustee.

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Presentation slide on the benefits of investing in a unit trust.

Investing will be easier for investor with strong passion. Investor should not make it complicated to themselves. According to Dr Angeline, through fundamental analysis, investor can refer to the revenue, net income, cashflow statement, PE ratio and PEG, the growth rate of the stock in order to make decision in investing. Microsoft, Amazon and Microsoft are the examples of companies shared by Dr Angeline that showed good increment in revenue.

She had explained on S&P 500 index to give the idea on their good performance throughout the years. She did highlight that “Investing is not gambling; it is a pure fundamental analysis”. The index comprised of 500 good stocks that will always improve in the revenue and net income. Hence the stocks will go up over the years. For the smart investors, when the market crashes, it is the time to use saving to invest as the market has shown around 100% return after the crash in 2020.

Fundamental analysis can help investor to make decision in investment. However, investor still need to look at the risk of the stocks such as business risk, regulatory risk, political risk and the very real risk which is any stock could go to zero. However, according to Dr Angeline, indexed

fund is unlikely to go to zero. Therefore, she concluded that unit trust is suitable for students as they can save as low as RM100 every month and it will be compounded over the years. Dr Angeline explained on the benefits of investing in unit trust such as simple and transparent, high liquidity, low initial investment amount and convenient. She also encouraged students to take courses that related to psychology of investment.

Dr Angeline summarised her talk with the reality of tax, inflation and investment in life. She highlighted that students should know how to manage their salary and make it work for them. Students should keep saving and start to invest at young age.

The interactive webinar ended with a Q&A session.



Group photo