



SPSE Acting CEO
Ms Krishika Narayan

Greetings from SPSE!

A very warm welcome to the readers of this monthly Stock Market Awareness column! Here, current and potential investors can look forward to relevant and key information about investment opportunities and returns in Fiji's stock market and how one can start investing in a SPSE listed company.

This article will give you a heads up on how you can manage your money, grow your savings and ultimately invest them in an appropriate combination of assets to help you grow your wealth.

Managing your Money

Have you ever hesitated opening an envelope or an email correspondence from your service provider knowing it contains a reminder to pay your dues? Are you someone who is struggling to reduce your credit card debt? Are you tired of never being able to build up your savings enough to go on that trip you dreamt of or buy the home you really want? Well, if this sounds like you, you need to reconsider your savings and spending plan.

Learning how to manage your money the right way is an important step towards taking control of your financial future. Understand where your money is coming from, where it's going to and how to ensure that the way you manage your money falls in line with the values that matter to you most or simply put, defines your priorities clearly.



Saving

Saving involves simply setting money aside for future spending. It is usually put in a safe place that is easily accessible by you, whether under your mattress or in a savings account at a commercial bank. Setting a savings goal for yourself is exciting. Your goal could be as simple as putting some money aside for emergencies or you may want to save for a home deposit, car, holiday or a wedding. Whatever your circumstances are, once you start a regular savings plan you may surprise yourself with how much you can achieve once you put your mind to it.

How to achieve your savings goal

When you set yourself a savings goal it is important to get a savings plan together so that you can make your dream a reality. After all, a goal without a plan is just a wish. Those who clearly define, review and remind themselves about their savings goals are more likely to become successful savers.

Some techniques that successful savers use are:

- ▶ Know how much money is needed
- ▶ Have a clear savings plan
- ▶ Regularly review your progress
- ▶ Have a specific saving time frame



SMART TIP: One must note accumulating savings is not enough due to factors such as inflation which causes the purchasing power of money to decrease. Put differently, as inflation rises, every dollar you own buys a smaller percentage of a good or service. As such, once a person has saved money, those saved funds need to be invested into a combination of assets which would earn a return that can counter the effect of inflation. Investing in listed company shares can be one of those investment products that can assist a saver in creating wealth and hedge against inflation.

"SAVING IS THE MANDATORY BUILDING BLOCK FOR INVESTING"

Investing

Investing is when you use your savings to purchase a financial product or something of value with the intention of earning a good return and growing its value overtime. A smart investor does not rely on good luck. Instead, they take the time to consider their investment goals. Then they develop a plan and choose investments that align with or simply meet their needs and objectives. Think about what you want and why and set a timeframe to achieve each goal. If you have a financial goal in mind, it will be easier to develop an appropriate investment plan and depending on what your future financial goal is, you will then find it easier to identify the appropriate asset class that can help you in achieving your goal.

Investing in Shares

Shares are a type of investment that gives investors a fraction of ownership in a company. Returns from shares come in two forms:

- ▶ Dividend return – paid by the company out of its profit (paid to shareholders); and
- ▶ Capital gain/loss – increase or decrease in the value of the share over time



SMART TIP: Dividends paid by listed companies are TAX FREE and any gain an investor makes from the sale of SPSE listed company shares is exempt from Capital Gains Tax.

Returns offered by SPSE Listed Companies

If you take a keen interest in SPSE listed companies or if you are wondering how the SPSE listed companies have been performing including the level of returns offered, please study the table below that shows the current level of returns offered by the SPSE listed companies over the past 12 months in terms of Income (Dividend) and Capital Growth/Loss.

SPSE Code	Share Price (16th June 2016)	Share Price (16th June 2017)	Price Gain/Loss (%)	Dividend Yield (%)	Total Market Return
APP	1.10	1.05	-4.55%	2.38%	-2.16%
ATH	1.08	1.40	29.63%	5.00%	34.63%
CFL	4.23	4.35	2.84%	2.76%	5.60%
FBL*	2.00	2.39	19.50%	2.09%	21.59%
FFF	0.79	0.79	0.00%	0.00%	0.00%
FIL	0.72	0.85	18.06%	4.71%	22.76%
FMF	0.76	0.82	7.89%	1.71%	9.60%
FTV	2.39	1.84	-23.01%	16.30%	-6.71%
KGF	0.45	0.45	0.00%	0.00%	0.00%
PBF	12.40	12.50	0.81%	2.40%	3.21%
PBP	1.25	1.48	18.40%	2.70%	21.10%
PGI	1.00	1.00	0.00%	7.00%	7.00%
RBG	3.10	3.29	6.13%	4.86%	10.99%
RCF	3.70	3.80	2.70%	7.89%	10.60%
TTS	3.10	4.35	40.32%	9.20%	49.52%
VBH	3.70	4.05	9.46%	3.46%	12.92%
VIL	1.81	2.10	16.02%	1.90%	17.93%
FHL	4.10	4.36	6.34%	5.53%	11.87%
BCN	7.61	7.82	2.76%	9.13%	11.88%
Average			8.07%	4.69%	12.75%

* FBL's share price of \$2.00 is the closing price on day of official listing (2nd Feb 2017)

Stockbroker Contacts

If you wish to invest your savings in shares of any of the SPSE listed companies, please contact any one of the licensed stockbrokers listed below. Your stockbroker will guide you through the investment process.

Licensed Stockbroking Firms:

- ▶ **FHL Stockbrokers Ltd (FHS)**
Phone: 3307 025 Email: fhls@fijianholdings.com.fj
- ▶ **FijiStock Brokers Ltd (FSB)**
Phone: 3304 675 Email: mail@fijistockbrokers.com.fj
- ▶ **Kontiki Stockbroking Ltd (KSB)**
Phone: 3307 284 Email: broking@kontiki.com.fj

DISCLAIMER

The information presented above is for information purposes only and should not be construed as investment advice. All investments are subject to some degree of risk. The SPSE does not guarantee investment performance or return of capital invested. It is recommended that you seek professional investment advice before proceeding with any investment.

For further information including those relating to listing on SPSE, listed company performance and/or investing in listed companies, as well as any shareholder related queries regarding your investments in one of the listed companies, please do not hesitate to contact us.

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