Mind Kinesis
Value Investing Academy
*15 mins to Financial Freedom*

# ETF INVESTING

*How to Invest on Auto-Pilot Using an investment method recommended by a Legendary Investor*

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## ***An Easy and Simple Way to Become Wealthy Recommended by Warren Buffett***

## ***1. Why Warren Buffett Recommends Index Funds***

Warren Buffett, the 3rd richest man in the world, has advised to "Put **10%** of the cash in **short-term government bonds** and **90%** in a very **low-cost S&P index fund**. (He suggested Vanguard.) I believe the trust's long-term results from this policy will be superior to those attained by most investors — whether pension funds, institutions or individuals — who employ high-fee managers." *Berkshire Hathaway Inc., 2013 Annual Report. Nebraska. Berkshire Hathaway Inc., 2013. pp. 21-22.*

## ***2. What are Indexes?***

Before we talk about index funds, let me explain what are indexes in a simple manner. In the early days when stock exchange first started, analysts wanted to get a feel whether the stock prices are heading upwards (bullish) or downward (bearish). So they came up with an idea by taking some stock prices of big companies, average their stock prices and then use that average number to determine whether the market is bullish (horns of the bull pointing upwards) or bearish (the bear uses it paws and swipe downwards to kill its prey). But an investor can't really invest in an academic number. So some Fund Managers decided to take money from investors, mimicked the components of an index in the exact way, so that the stock prices of this Index Fund moves in tandem with the index itself.

Let me give you an example. S&P 500 is an index, and it has a fund that mimicked this S&P 500 Index. We simply called it S&P 500 Index Fund or sometimes, it is also known as S&P 500 ETF (Exchange Traded Fund).

Let's look at them and see why Warren feels they are a good investment.

## ***3. Major Indexes***

There are many different types of Indexes covering all areas of the stock market. The ones that we will be covering are considered some of the largest in the United States. The first one, is the **Standard & Poor's 500 Index** also known as the **S&P 500** with ticker symbol SPX.

Ticker symbol is simply an abbreviation for the company's name. For example, McDonalds has a ticker symbol of MCD and Starbucks has a ticker symbol of SBUX.

Going back to S&P 500, it is an index of 500 of the largest corporations' stocks which measures their value. The S&P 500 is designed to provide a quick look at the stock market and economy. It's is widely used to have a feel for the overall U.S. stock market.

Next, we have the **Dow Jones Industrial Average** with ticker symbol **DJIA**. It is one of the oldest indexes and contains 30 of the largest, most influential companies in the United States. Even though the DJIA is a good index, most people agree that the S&P 500 is a better representation of the U.S. market. This is because the Dow Jones is price weighted and a decrease or incline in all stocks in the DJIA, would not necessarily cause a change in the index.

Third, is the **Nasdaq Composite Index** which comprised of all stocks traded on the Nasdaq stock exchange totaling around 3,000. It includes some companies which are not based in the U.S. as well. Movement in the Nasdaq generally indicates the performance of the technology industry, and speculative stocks both in the U.S. and worldwide.

Fourth, is the **Russell 2000** which comprised of 2,000 stocks. It is the best-known indicator of the daily performance of small companies in the market.

***Of course, in Singapore, we have our very own STI (Straits Times Index) which tracks the performance of the top 30 companies listed on the Singapore Exchange. The purpose of this book is to share with you how you can invest in STI ETF using a simple auto-pilot method.***

## ***4. Investing in Indexes***

Let's say you have $100 and you invest in an index fund. How it works is that the $100 will be divided up and then be invested in proportion to the individual stocks or bonds according to the percentage they represent in the index.

For example, if an index fund consists of 2% Singapore Airline stock. Then if you invest $100 in this index fund, $2 will go into investing in Singapore Airline. The best part about investing in an index is once you are invested, you are actually invested in a basket of big companies. You get paid dividends and capital appreciation as well. That should make you feel good and safe sleeping at night.

## ***5. Types of ETFs***

So, following Warren's advice by putting 10% of our cash in short-term government bonds and 90% in low-cost S&P index funds, let's look at which ETFs fit into this category. Before we get to the full list of index funds and bonds we'll quickly go over a few key terms and their meanings. For our example, we will use the Vanguard S&P 500 ETF.

<u>ETF Name</u> is the full name of the index fund, e.g., *Vanguard S&P 500 ETF*.

Ticker Symbol or stock symbol is the abbreviated name used by stock exchanges around the world, e.g., *VOO*.

Expense Ratio is the annual management fee charged to shareholders of any ETF. This fee varies per ETF but typically you want to look for lower fees, e.g., *0.05%,* because overtime it can add up to a larger amount. Here is an example of the costs from various expense ratio's over a twenty-year period (see table below).

| | | Expense Ratio | | | | |
|---|---|---|---|---|---|---|
| **Year** | **10% Gain** | **0.5%** | **1.0%** | **1.5%** | **2.0%** | **2.5%** |
| 0 | $10,000 | $10,000 | $10,000 | $10,000 | $10,000 | $10,000 |
| 1 | $11,000 | $10,950 | $10,900 | $10,850 | $10,800 | $10,750 |
| 2 | $12,100 | $11,990 | $11,881 | $11,775 | $11,668 | $11,563 |
| 3 | $13,310 | $13,129 | $12,950 | $12,780 | $12,610 | $12,443 |
| 4 | $14,641 | $14,375 | $14,116 | $13,874 | $13,632 | $13,397 |
| 5 | $16,105 | $15,739 | $15,386 | $15,064 | $14,742 | $14,430 |
| 6 | $17,716 | $17,233 | $16,772 | $16,360 | $15,947 | $15,551 |
| 7 | $19,487 | $18,867 | $18,281 | $17,769 | $17,254 | $16,765 |
| 8 | $21,436 | $20,657 | $19,927 | $19,304 | $18,675 | $18,083 |
| 9 | $23,579 | $22,614 | $21,720 | $20,973 | $20,217 | $19,510 |
| 10 | $25,937 | $24,758 | $23,676 | $22,791 | $21,894 | $21,059 |
| 11 | $28,531 | $27,104 | $25,808 | $24,770 | $23,714 | $22,740 |
| 12 | $31,384 | $29,672 | $28,131 | $26,925 | $25,693 | $24,562 |
| 13 | $34,523 | $32,483 | $30,666 | $29,273 | $27,843 | $26,540 |
| 14 | $37,975 | $35,558 | $33,427 | $31,828 | $30,179 | $28,686 |
| 15 | $41,772 | $38,924 | $36,438 | $34,611 | $32,718 | $31,015 |
| 16 | $45,950 | $42,608 | $39,722 | $37,643 | $35,480 | $33,544 |
| 17 | $50,545 | $46,639 | $43,302 | $40,946 | $38,482 | $36,289 |
| 18 | $55,599 | $51,050 | $47,204 | $44,544 | $41,746 | $39,269 |
| 19 | $61,159 | $55,877 | $51,460 | $48,464 | $45,296 | $42,506 |
| 20 | $67,275 | $61,159 | $56,100 | $52,736 | $49,157 | $46,022 |
| $ Less | | -$6,116 | -$11,175 | -$14,539 | -$18,118 | -$21,253 |
| % Less | | -9.1% | -16.6% | -21.6% | -26.9% | -31.6% |

52 Week Range or stock price range for the previous 52 weeks the ETF has sold at per share, e.g., *$165.96-$198.93 as of 7/20/2016*. *Note: Prices change constantly and are never predictable.

Dividend Frequency is how often an ETF will provide you with dividends, e.g., *Annually (1 time a year), Biannually (2 times a year), or Quarterly (4 times a year).*

Ex-Dividend Date is the last amount paid to investors per share they own of any stock, ETF, or Bond, e.g., *$0.95300 per share owned on 6/27/2016.*

URL for more information will provide further details on a specific ETF or Bond, e.g., *Vanguard S&P 500 ETF*.

Okay, now that it's clear what we'll be looking at, how about we start reviewing these ETFs. To keep things simple, I will just list out 3 examples of ETFs for your reference.

## ***6. Low-Cost S&P Index Funds – 90% of Portfolio***

### *6.1 Example 1*

**Name**: Vanguard S&P 500 ETF **Ticker Symbol**: VOO
**Expense Ratio**: 0.05%
**52 Week Range**: $165.96-$198.93 as of 7/20/2016
**Dividend Frequency**: Quarterly
**Ex-Dividend Date**: $0.95 per share on 6/27/2016
**Category & Style:** Large Cap/Blend (Mimic S&P 500 stocks)
**URL for more information**: Vanguard S&P 500 ETF

### *6.2 Example 2*

**Name**: Schwab U.S. Large-Cap ETF **Ticker Symbol**: SCHX
**Expense Ratio**: 0.03%
**52 Week Range**: $41.50-$51.53 as of 7/20/2016
**Dividend Frequency**: Quarterly
**Ex-Dividend Date**: $0.24 per share on 6/20/2016
**Category & Style:** Large Cap/Blend (Mimic Dow Jones Large Cap)
**URL for more information**: Schwab U.S. Large-Cap ETF

### *6.3 Example 3*

**Name**: Vanguard Total Stock Market ETF **Ticker Symbol**: VTI
**Expense Ratio**: 0.05%
**52 Week Range**: $91.58-$110.99 as of 7/20/2016
**Dividend Frequency**: Quarterly
**Ex-Dividend Date**: $0.47 per share on 6/14/2016
**Category & Style:** Large Cap/Blend (Total market exposure)
**URL for more information**: Vanguard Total Stock Market ETF

## ***7. Understanding Where to Start***

If you remember from before, Warren Buffett said to purchase 90% in low-cost S&P Index Funds but this can have different meanings for different investors.

Some investors perhaps have a bit more money to start with, so they can afford to purchase a few different ETFs from each level of market capitalization. For those investors with fewer funds, it may be good to start with just purchasing one or two types of ETFs. Warren has even stated, that his suggestion is to purchase Vanguard's ETFs because of their lower costs and good rates of returns. So, that might be a good help to those who are unsure what to start with. As always, do your homework! That means, spend a few minutes to learn about those ETFs you want to invest in and at least make sure you understand why you are investing in them.

This advice holds true for the short-term U.S. government bonds as well. Just purchasing them because a famous investor says so should never be enough. Make sure you understand why you are purchasing it, and that you could easily explain why it's good for you to anyone. This will make it easier to have greater confidence in your purchases and not cost you too much time to learn about.

## ***8. Understanding the Why***

Why would Warren Buffett, a highly successful investor himself, suggest this investment strategy for almost everyone to follow? Just so we're clear, he doesn't just say this as a general statement, he actually believes in this strategy so much he has set up a trust to follow this exact investment strategy for his wife after he passes away.

Not only that, but Warren believes so strongly in this investment strategy he has made the largest wager in investment history to prove his point. See, there are many financial groups and fund managers who disagree with Warren on the simplicity and effectiveness of this strategy. So, he decided the best way to prove his point was to bet a handful of hedge funds $1 Million dollars that they could not outperform a low-cost Index Fund over a ten-year period. The winner will get to donate their winnings to the charity of their choice.

The bet started in 2008, with Warren choosing only one Index Fund, the Vanguard 500 Index Admiral Shares (VFIAX). His opponent is Protégé Partners, a money management firm in New York City and they choose five hedge funds. As of 2016, Warren Buffett's single Index Fund is in a huge lead, earning him 65.7% in returns compared to his opponents who have only earned 21.9% with their five hedge funds.

This is a fantastic example of how profitable Index Funds/ETFs are, and how good an investor Warren Buffett is. I will always encourage you to do your homework and research what you want to invest in before you do so, but if you were to take any advice on how to invest, then it seems like Warren's is really good. Here are some of the benefits of this investment strategy which is a lot more successful than any other strategy available to most investors.

1. By buying and holding ETFs and Bonds for many years and reinvesting dividends, your investments will increase in size due to the power of compounded interest.
2. This method of passive investing in low-cost index funds, keeps fees as low as possible which maximizes your returns.
3. You can minimize personal income tax by investing and keeping the stocks years instead of days
4. The strategy is easy to implement and very straight-forward making it a simple method to follow.

5. You can sleep well knowing that you are following the greatest investor of all-times advice, Warren Buffett, and that it's free advice! *Article Title: How to Build a Warren Buffett Portfolio*, *Author: Blain Reinkensmeyer*, *URL: https://www.stocktrader.com/warren-buffett-portfolio/, Last Updated: April 8, 2016*, *Publisher: Reink Media Group LLC.*

It's easy to see why Warren is considered the greatest investor of all time and that he really does follow his own investment strategy advice. It's good to note that I didn't mention the Vanguard 500 (VFIAX) ETF fund as a potential fund to invest in since the minimum balance required is $10,000. However, Vanguard's 500 S&P ETF (VOO) delivers the same results but with no minimum balance. Several of the larger financial reporting services agree with this strategy and it's been reported by both Bloomberg and Investopedia, that by following Warren Buffett's advice investing in low-cost Index and Bond Funds, any investor can do well. They have each recommend investing in Vanguard's 500 S&P ETF (VOO) and iShares Core 1-3 Year Treasury Bond ETF (SHY).

## ***9. Future Returns from Investing in S&P 500 ETF***

You have probably heard before this term called compounding, but how would it work in real life is probably what you're asking yourself. Yes, it's great to see the returns on an investment of $10,000 if you have that kind of money available but the reality is you probably have much less to invest. Well, how about we look at another example but this time we use real world factors. Okay, so let's say you only have $100 to invest initially in the S&P 500 index and that with a little budgeting you can continue to invest $100 per month for every month. Does that sound like a more reasonable and real-world scenario, I asked John. He replied that this was actually his current financial situation and this example would be very helpful for him.

For our example then, we will take $100 as your initial investment or principle and put that money into an S&P 500 Index. Now, you will also contribute $100 every month without fail, into this investment, so each year your total investment will increase by $1,200. Let's say you started investing your money into the S&P 500 Index in 1965 with an average rate of return of 9.485%. By the beginning of the year 2016 what would your total investment be worth?

Starting Year: 1965 January
Ending Year: 2016 January
Initial investment: $100 totaling $1,200 per year
Investment time period: 51 years

Average rate of return (interest + dividend reinvestment): 9.485%
1 Year

Year: 1965 Total Investment: $1,200
Interest Earned: $60.80 Total Earnings for Year: $1,260.80

<u>10 Years</u>
Year: 1974 Total Investment: $12,000
Interest Earned: $1,649.94 Total Earnings for Year: $19,604.33

<u>20 Years</u>
Year: 1984 Total Investment: $24,000
Interest Earned: $5,853.17 Total Earnings for Year: $68,121.80

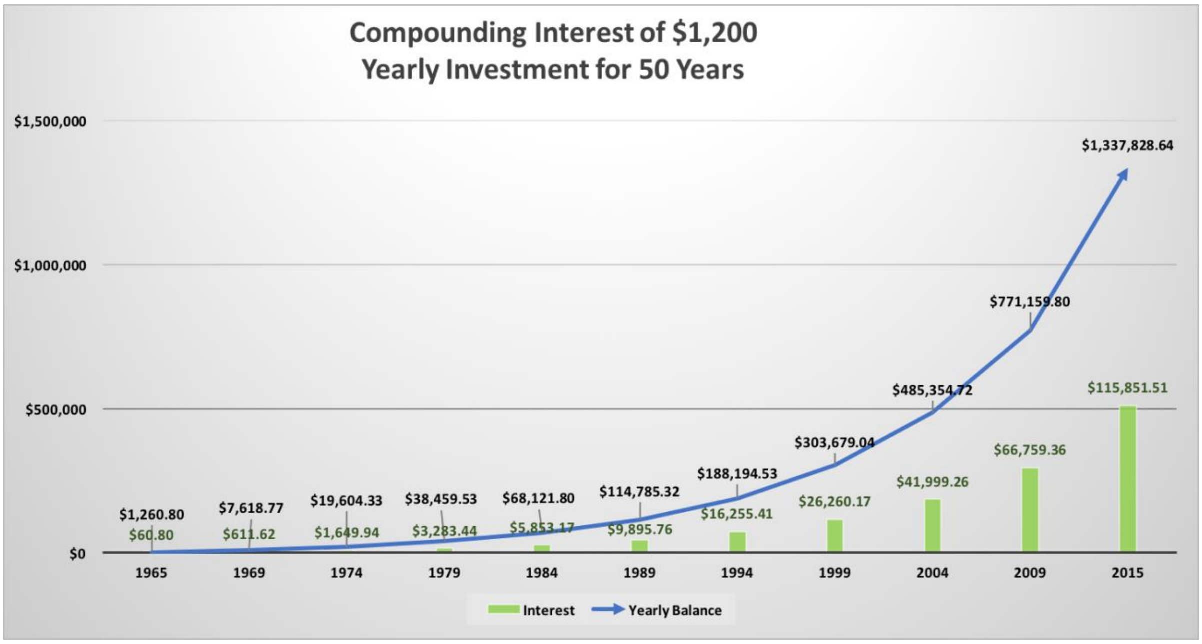
<u>30 Years</u>
Year: 1994 Total Investment: $36,000
Interest Earned: $16,255.41 Total Earnings for Year: $188,194.53

<u>40 Years</u>
Year: 2004 Total Investment: $48,000
Interest Earned: $41,999.26 Total Earnings for Year: $485,354.72

<u>51 Years</u>
Year: 2015 Total Investment: $61,200
Interest Earned: $115,851.51 Total Earnings for Year: $1,337,828.64

*Article Title: S&P 500 Index, Author: Wikipedia contributors, URL: https://en.wikipedia.org/wiki/S%26P_500_Index, Publisher: Wikipedia, The Free Encyclopedia. Date of Last Revision: 26 Jul. 2016, Access Date: 15 Jul. 2016.*

WOW! Literally, after investing in the S&P 500 Index Fund for the past 51 years with only $1,200 yearly, your investment would now be worth $1.3 Million dollars! That is the power of compounding interest my friend. You would have earned over $1.28 Million in interest alone. This chart gives us a quick peak at what your 50 years' investment would have looked like.

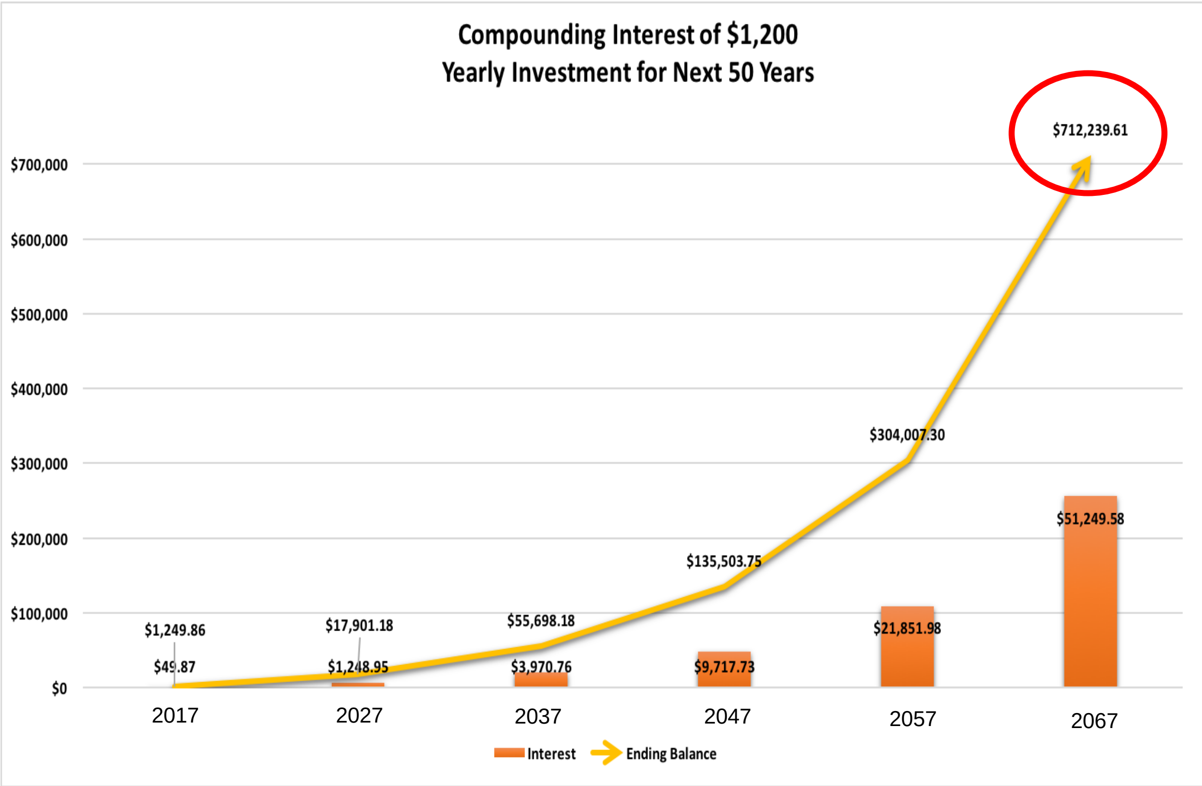



But the problem is, investing for many people is seen as gambling. They think it's a huge risk they are taking, and unless they can invest in something to make money quickly, then they fear that they will lose their investment. The problem most people have is that they don't look at investing as a long-term business, but rather see it as a short-term game. If you are serious about becoming wealthy, then investing in the stock market has to be treated like a business.

Having said that, it's good to note that the S&P 500 has not always had great years and their returns have been sometimes not good. For example, between 1973 and 1974 the S&P annual return was negative ranging from -14.66% to -26.47%. While during 2000 – 2002 the annual return ranged from -9.10% to -22.10% and in 2008, the S&P had its lowest return of -37.00%. Now, I know this sounds terrible and cause for most people to want to pull their money out of the stock market during any of these times but it's also important to note that the years both preceding and following these downturns were growth years. Years in which the market grew and your rate of return varied between 1.38% to 37.58% with an average around 15.79%.

Meaning, overall your investment would still do very well and continue to grow even with a few years of minimal or zero growth. This simple little fact is why most people don't invest in the market. They are afraid that the bad years outweigh the good ones and only focus on those. Instead they should be focusing on the long-term for their investment and how it will return huge rewards.

While we are on the subject of returns why don't we do a projection forward to see what would happen. For example, let's look at what would happen if you invested in the S&P 500 index today and what your return would be in 10 years from now. We'll




keep everything the same as before except we'll adjust the rate of return to 7.76% to account for possible downward and upward trends over the next 10 years.

Starting Year: 2017 January
Ending Year: 2027 January
Initial investment: $100 totaling $1,200 per year
Investment time period: 10 years
Average rate of return (interest + dividend reinvestment): 7.76%

1 Year
Year: 2017 Total Investment: $1,200
Interest Earned: $49.87 Total Earnings for Year: $1,249.87

10 Years
Year: 2027 Total Investment: $12,000
Interest Earned: $1,248.95 Total Earnings for Year: $17,901.18

This is great right? With your initial investment of $100 and $100 added every month for a total of $1,200 per year, your earnings would be worth $17,901.18. Can you believe that? This means you will have gained over $5,900 in interest alone and it will only continue to increase. Image if you kept this money invested and kept going for the next 20, 30, 40, or 50+ years. Here's what your earnings would look like.

20 Years

Year: 2037 Total Investment: $24,000
Interest Earned: $3,970.76 Total Earnings for Year: $55,698.18

30 Years
Year: 2047 Total Investment: $36,000
Interest Earned: $9,717.73 Total Earnings for Year: $135,503.75

40 Years
Year: 2057 Total Investment: $48,000
Interest Earned: $21,851.98 Total Earnings for Year: $304,007.30

50 Years
Year: 2067 Total Investment: $61,200
Interest Earned: $51,249.58 Total Earnings for Year: $712,239.61

This means that for the next 50 years starting from today, you would increase your original investment of $1,200 for the first year into an investment worth $712,239! The interest earned would be over $51,000! This is why compounding is so important to understand, because it will continually increase your total earnings over time into huge sums.

Do me a favor and think about what your life would be like if money was no longer an issue, I mean, seriously think for a moment, I said. Would you still be worried about how you will retire in the future?

Would you still be working non-stop or perhaps at some point realize you could start your own business? Would you always be so tired from working lots of hours per week and having less time with your family, or would you have more time to spend with them and feel energetic? And most importantly, would you be happy that your money is working for you to generate more wealth for your family versus you having to always work for it?

I don’t know about you, but I would rather have my money working for me, spending my time working on my own business, and seeing my family as much as possible. There’s nothing mystical about it really. The money you invest will continue to grow in accordance with the market index which is comprised of the top 500 performing companies in the U.S. As you earn interest on your annual investment you also gain dividends which can be reinvested helping you earn even more. That is the true power of compounding.

## ***10. The Best Way to Invest Using Dollar Cost Averaging***

### *10.1 What is Dollar Cost Averaging (DCA)*

I think it's becoming clearer how following Warren Buffett's investing advice really pays off. With the power of compounding interest adding to your yearly investment, increasing it by huge sums will result in a nice amount over any given length of time. Really all you need is a small investment and time to allow it to grow to a sizable amount. Spending as little as $1,200 a year as we discovered, can really get you well on your way to being wealthy and comfortable in the future.

Our previous examples all relied on investing once a year with a lump sum of money but what if there was a better way to go about this? What if we applied a method of investing called Dollar Cost Averaging? What is that? John asked.

Dollar cost averaging or DCA is one method of investing where you invest a fixed sum across a regular time interval. For example, you invest US$100 on the 1st of every month regardless of whether the stock price is going up or down. So when the share price goes up, you will buy less stocks with US$100, and when the share price goes down, you buy more stocks with the same US$100. It's really a dummy proof method because you just need to blindly invest without bothering about the stock price. This will help investors build the discipline of investing regularly and not, 'put it off till next time when things are right.' Think of it as a way to put your investing habits on auto-pilot making it easy and overtime more affordable for you.

Another example works like this. You decide to invest $1,000 on the first of each month into a low-cost ETF Index Fund. Let's assume that across a period of five months, the ETF Index Fund stock prices at the starting of each month are as follows:

- Month 1: $20
- Month 2: $16
- Month 3: $12
- Month 4: $17
- Month 5: $23

Let's say that you decide to invest $1,000 on the 1st of every month. The number of shares that you will receive will be equal to $1,000 divided by the prevalent share price. You can see the illustration stated below:

- Month 1 Shares = $1,000 / $20 = 50
- Month 2 Shares = $1,000 / $16 = 62
- Month 3 Shares = $1,000 / $12 = 83
- Month 4 Shares = $1,000 / $17 = 58
- Month 5 Shares = $1,000 / $23 = 43

Depending on the price, more shares were purchased during some months, and less shares were purchased during other months. Regardless of how many were purchased, the total number of shares you own is 296, with an average share price of $16.77 you paid. Considering the current price of the shares is $23, this means an investment of $5,000 has turned into $6,808. It also means that you were able to buy more shares overall since three out of the five months would have resulted in you purchasing less shares then what you own now.

Since no one can ever consistently predict future stock prices, DCA is really a dummy proof and a discipline way of investing without worrying and using too much of our brain.

*Article Title: Dollar-Cost Averaging (DCA) Definition, URL: http://www.investopedia.com/terms/d/dollarcostaveraging.asp, Access Date: July 3 2016, Publisher: Investopedia, LLC.*

## ***10.2 How to Apply Dollar Cost Averaging***

So, it's easy to see how Dollar Cost Averaging (DCA) works and why it can be of great use to us. By engaging in DCA it helps remove some of the pressure of investing for us. We know that every month we will be investing $100 into our ETF index fund regardless of the price.

A couple of years ago, POSB launched a saving plan called POSB Invest-Saver which allow anyone to invest in STI ETF using only a starting amount of $100. You just need to go to the nearest ATM machine, and you can set up in just a few minutes. Out of every $100 that you invest, 1% goes to the commission.

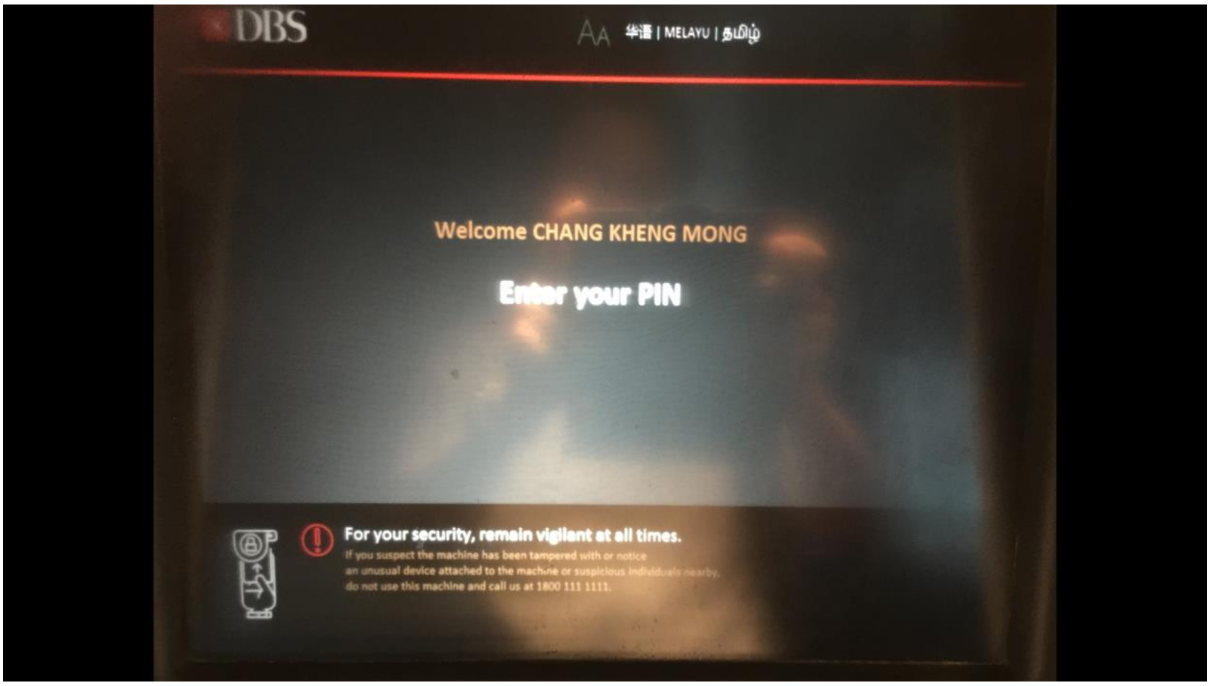
To know more details about this POSB Invest-Saver, click on their website >> https://www.posb.com.sg/personal/landing/invest-saver/index.html?pid=sg-posb-vanity-investments-investsaver.

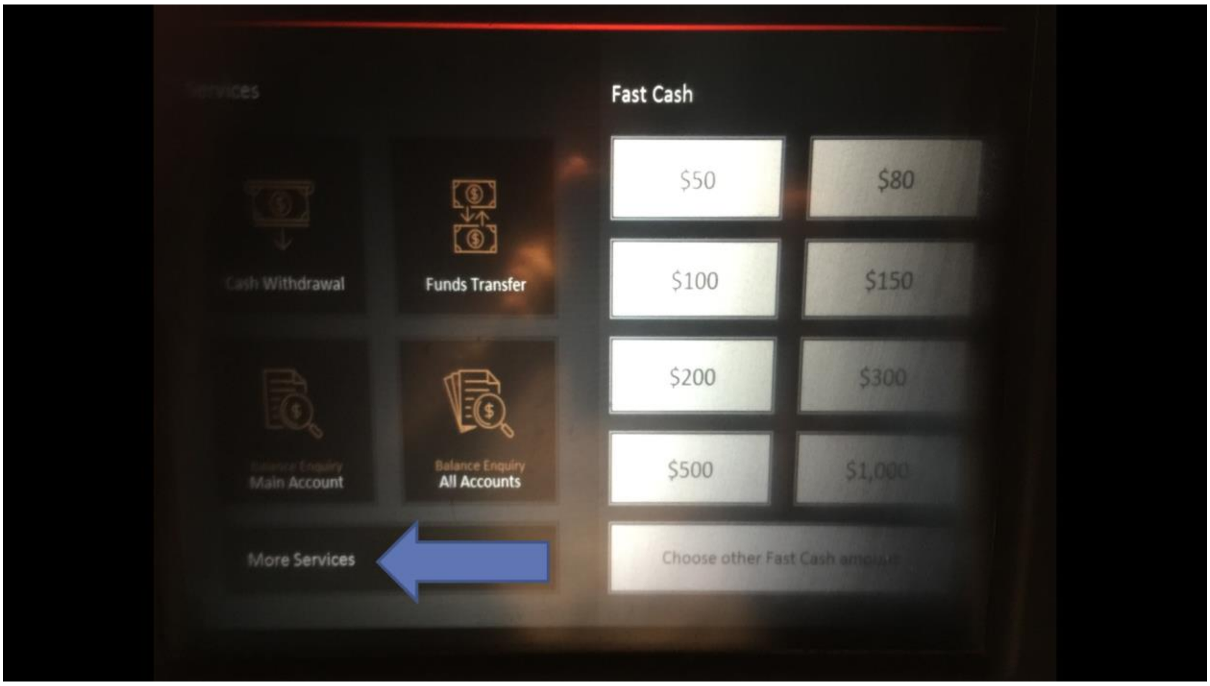
You can also read their FAQ at >> https://www.posb.com.sg/personal/ibanking/faq/etf-rsp.page

Do note that this is not a recommendation, but it's something for you to explore. What's interesting is that once the plan is set up at the ATM, it will run on auto-pilot until you decide to terminate it. You can also increase/decrease the amount with multiples of $100 any time you want to.

## ***11. Steps to Set Up the POSB Invest-Saver***

I have attached all the screen shots (shown below) in a step-by-step manner on how you can start your plan immediately:


DBS
华语 | MELAYU | தமிழ்
Welcome CHANG KHENG MONG
Enter your PIN
For your security, remain vigilant at all times.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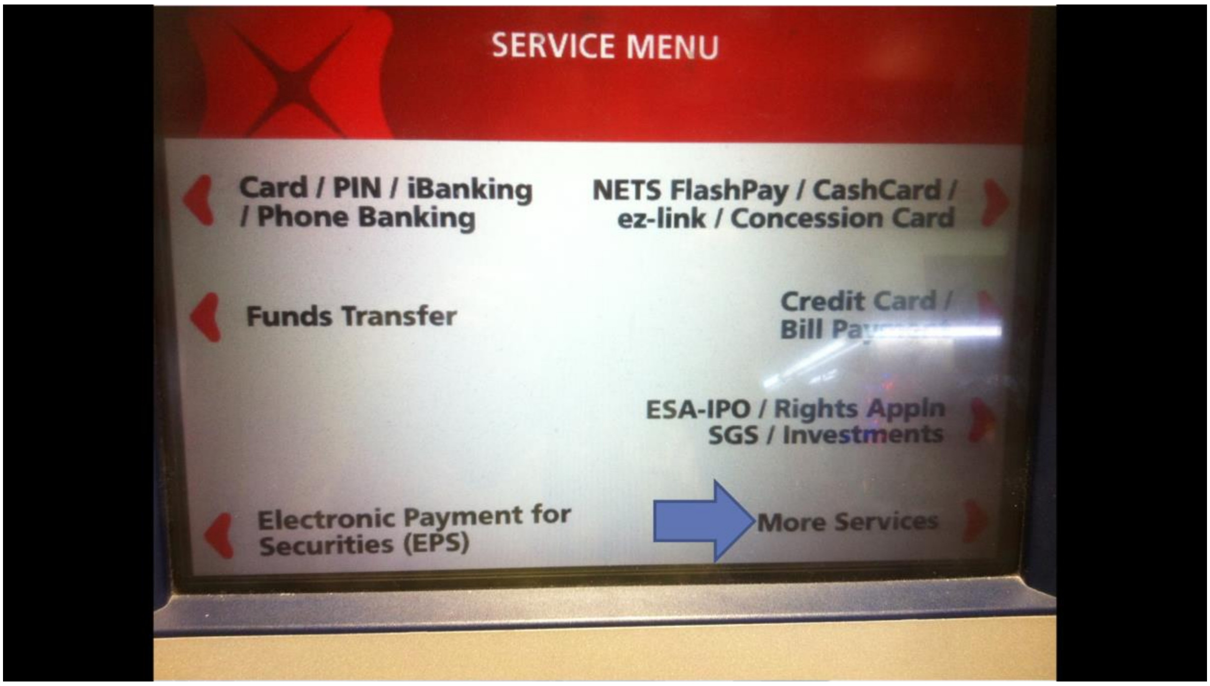
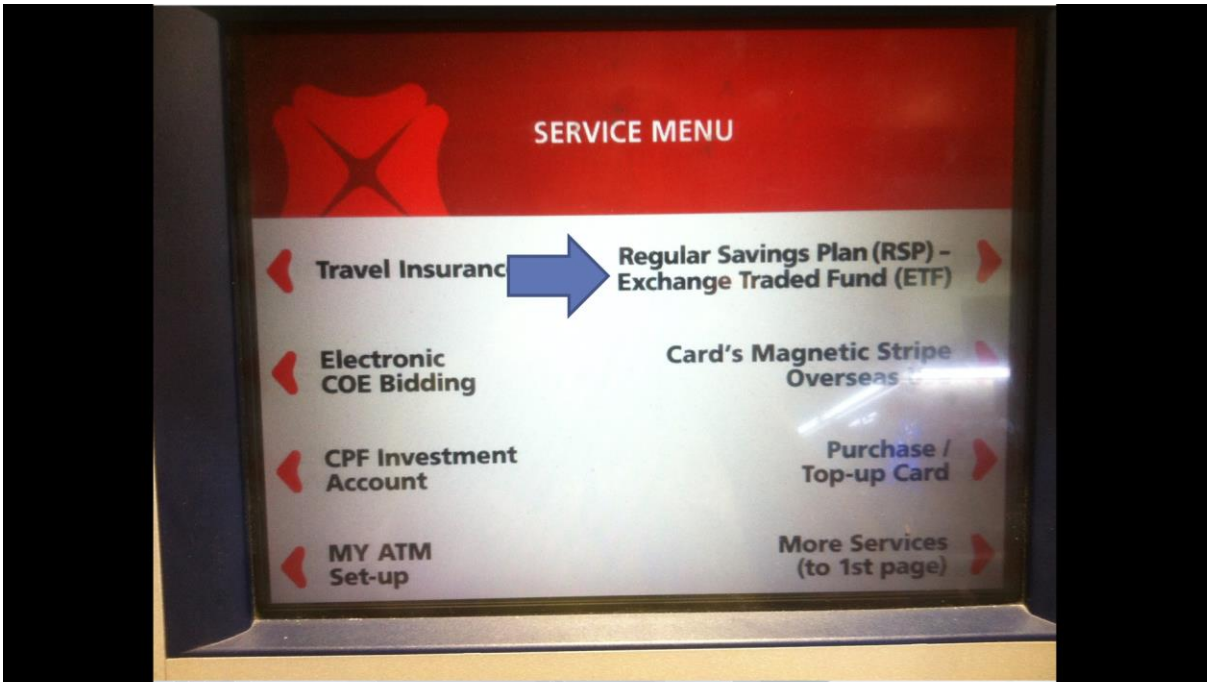
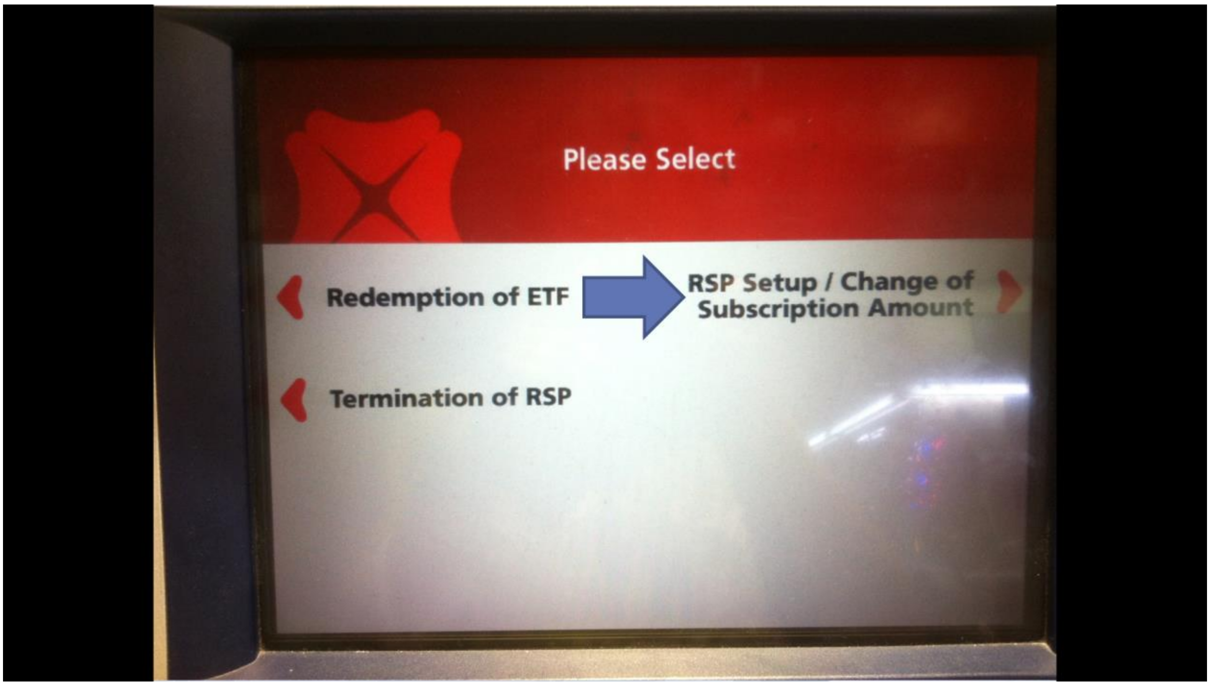
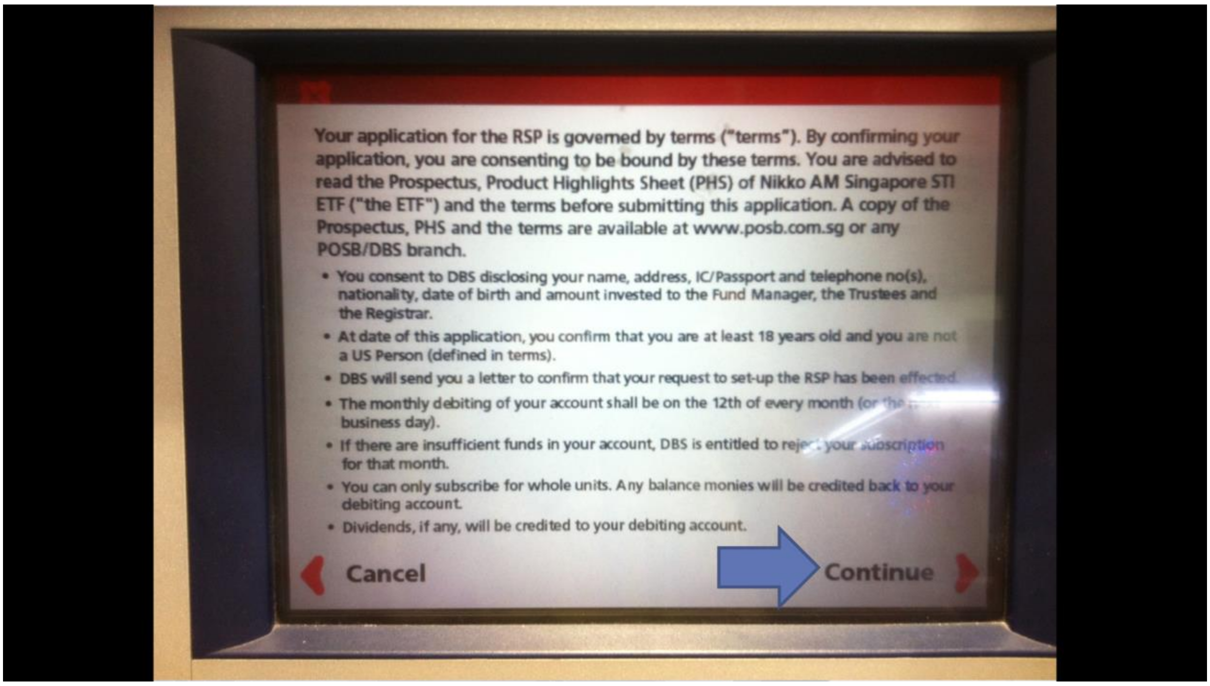
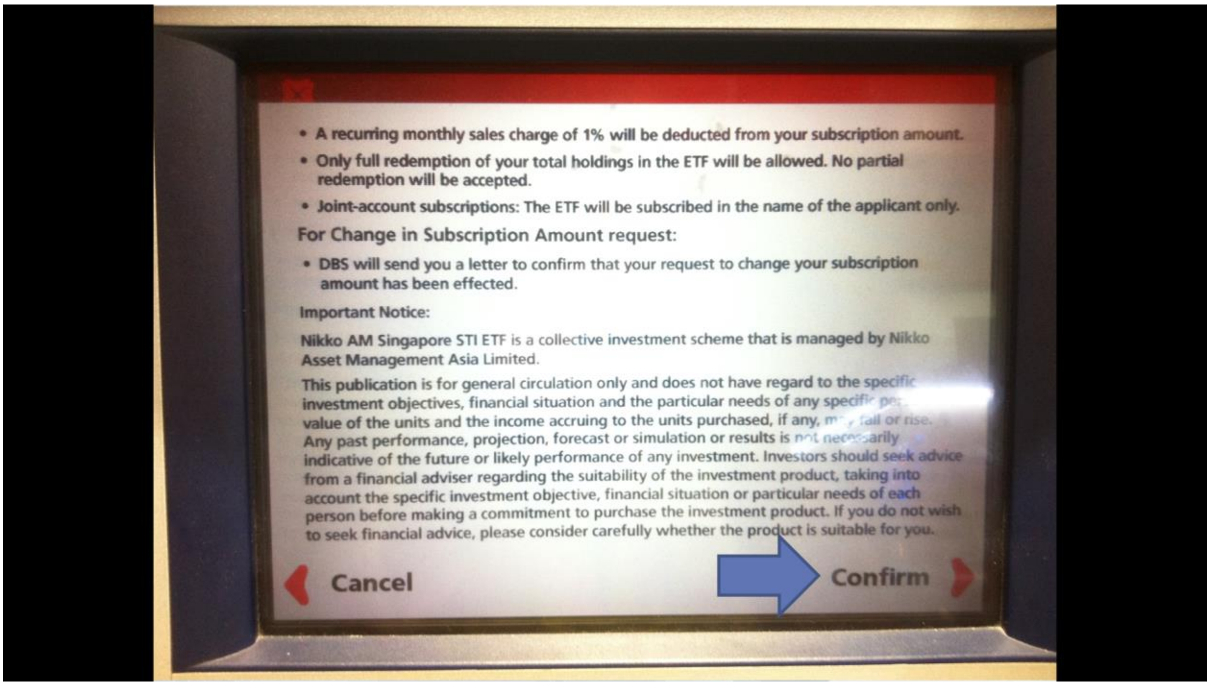
$80
$100
$150
$200
$300
$500
Funds Transfer
Main Account
Balance Enquiry
All Accounts
More Services

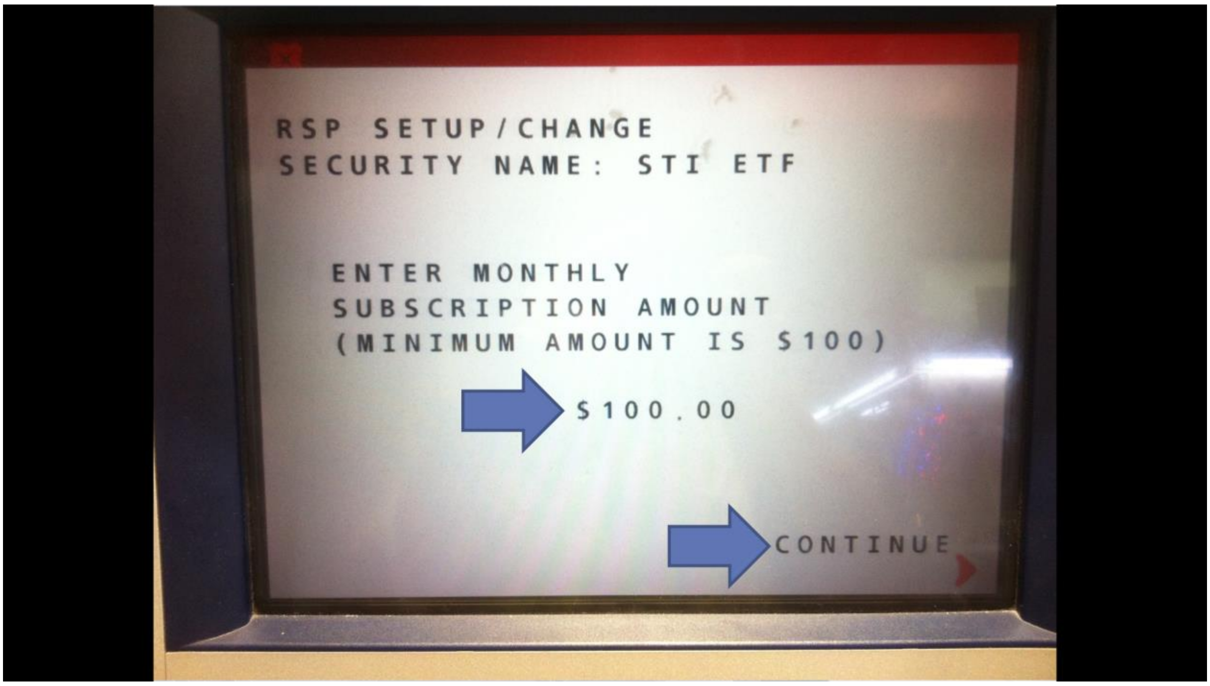

SERVICE MENU
Card / PIN / iBanking / Phone Banking
NETS FlashPay / CashCard / ez-link / Concession Card
Funds Transfer
Credit Card /
Bill Pay
ESA-IPO / Rights Appln
SGS / Investments
Electronic Payment for Securities (EPS)
More Services


SERVICE MENU
Travel Insuranc
Regular Savings Plan (RSP) – Exchange Traded Fund (ETF)
Electronic COE Bidding
Card's Magnetic Stripe
Overseas
CPF Investment Account
Purchase / Top-up Card
MY ATM Set-up
More Services (to 1st page)

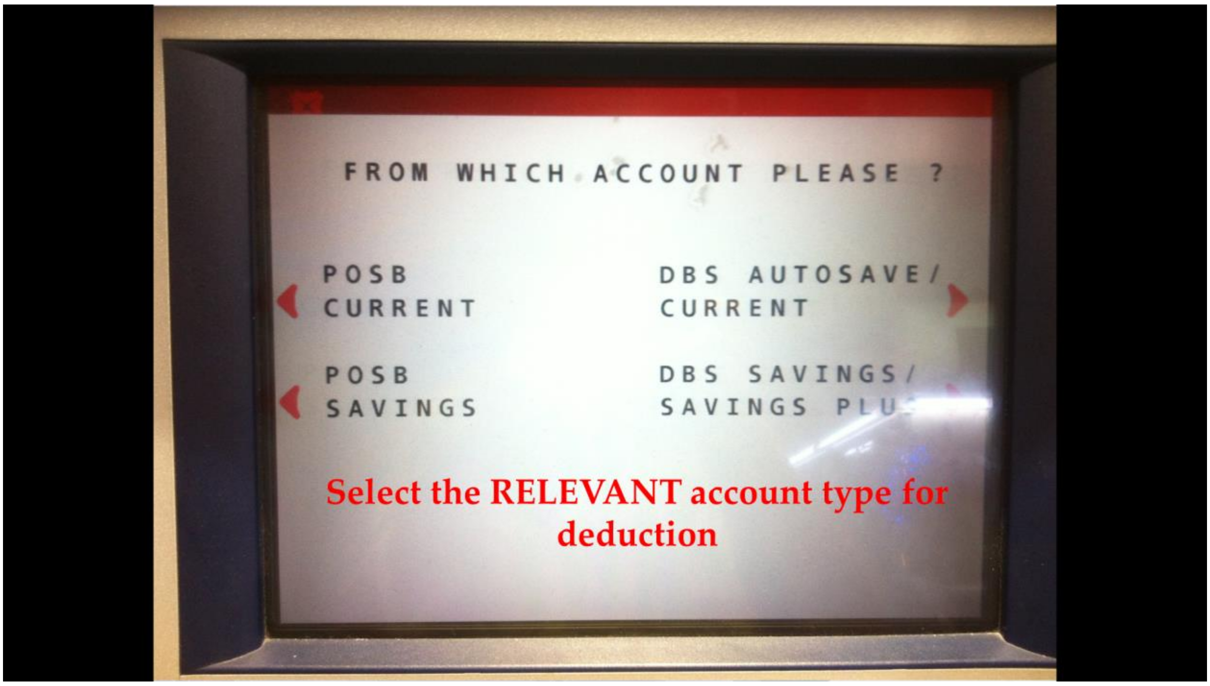

Please Select
Redemption of ETF
RSP Setup / Change of Subscription Amount
Termination of RSP

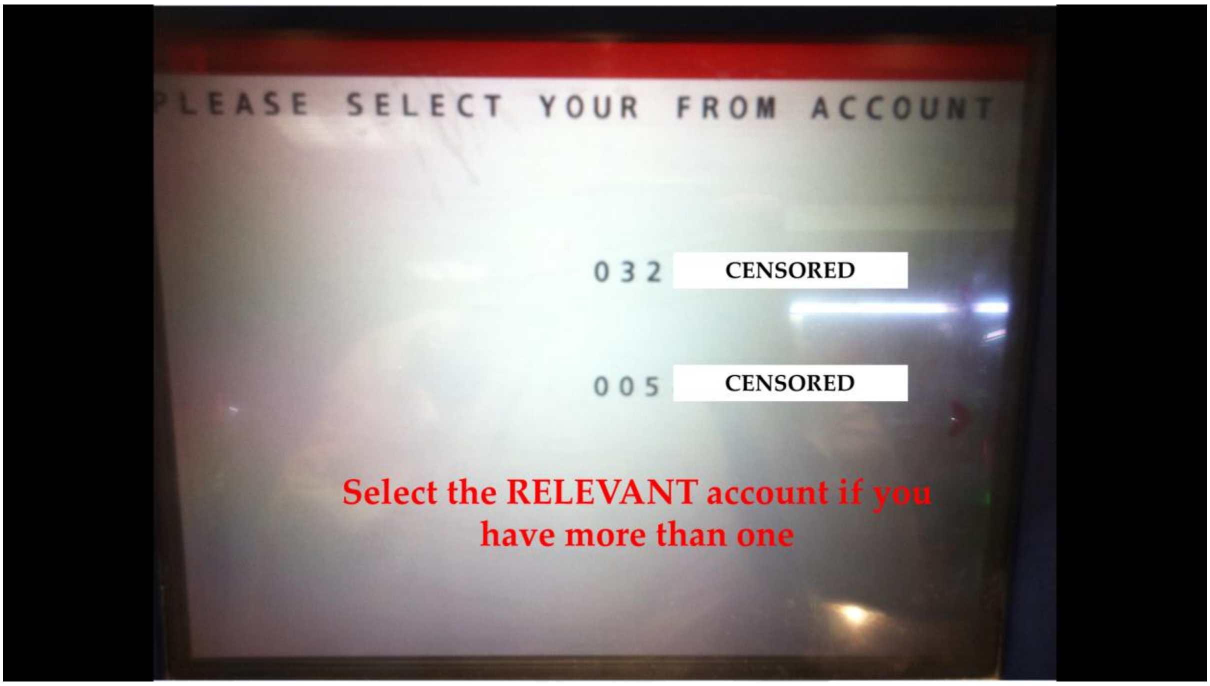

Your application for the RSP is governed by terms ("terms"). By confirming your application, you are consenting to be bound by these terms. You are advised to read the Prospectus, Product Highlights Sheet (PHS) of Nikko AM Singapore STI ETF ("the ETF") and the terms before submitting this application. A copy of the Prospectus, PHS and the terms are available at www.posb.com.sg or any POSB/DBS branch.
• You consent to DBS disclosing your name, address, IC/Passport and telephone no(s), nationality, date of birth and amount invested to the Fund Manager, the Trustees and the Registrar.
• At date of this application, you confirm that you are at least 18 years old and you are not a US Person (defined in terms).
• DBS will send you a letter to confirm that your request to set-up the RSP has been effected.
• The monthly debiting of your account shall be on the 12th of every month (or the business day).
• If there are insufficient funds in your account, DBS is entitled to your subscription for that month.
• You can only subscribe for whole units. Any balance monies will be credited back to your debiting account.
• Dividends, if any, will be credited to your debiting account.
Cancel
Continue

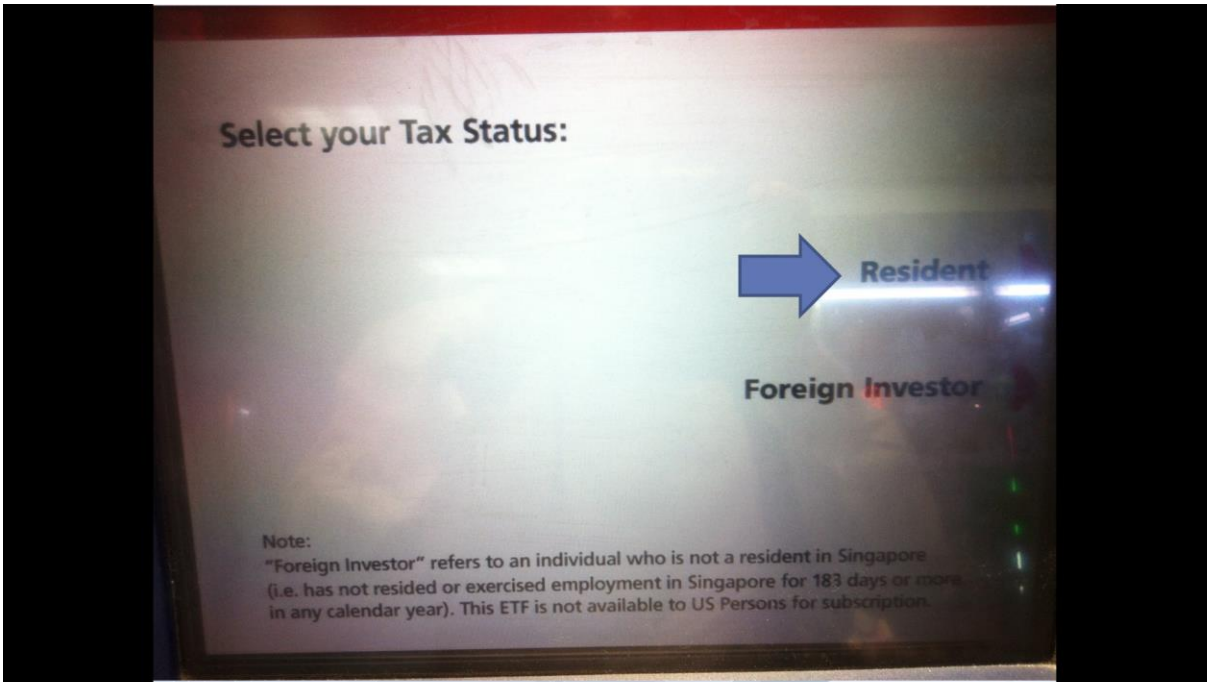


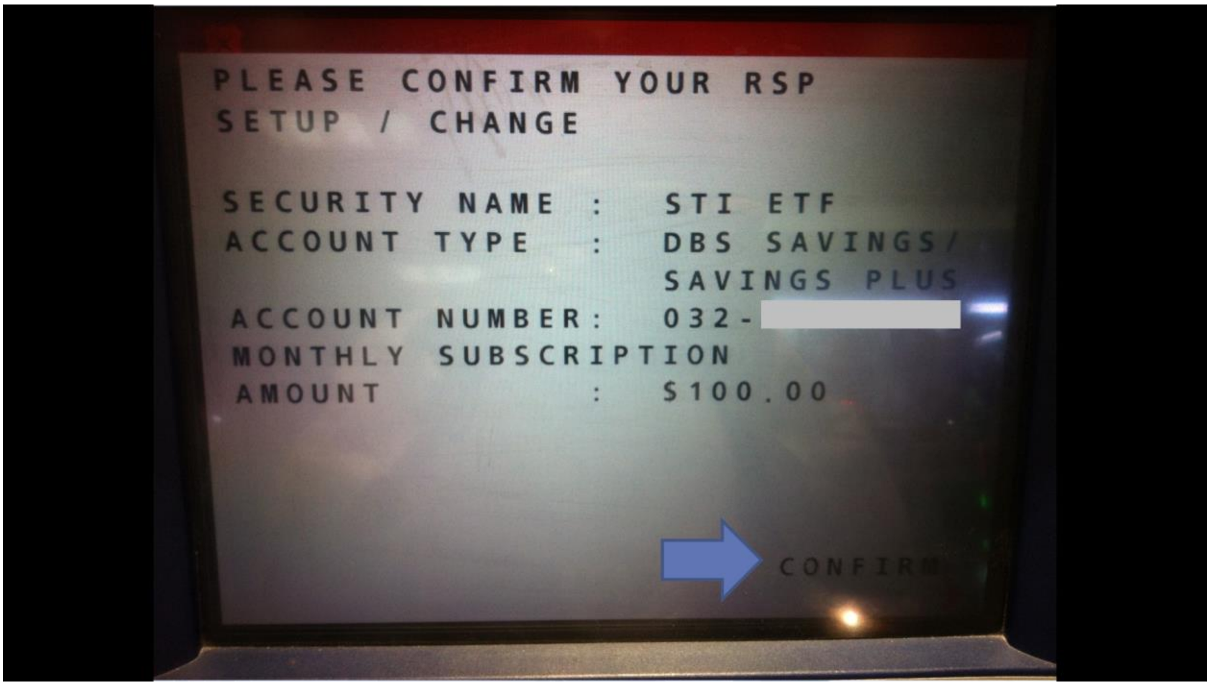



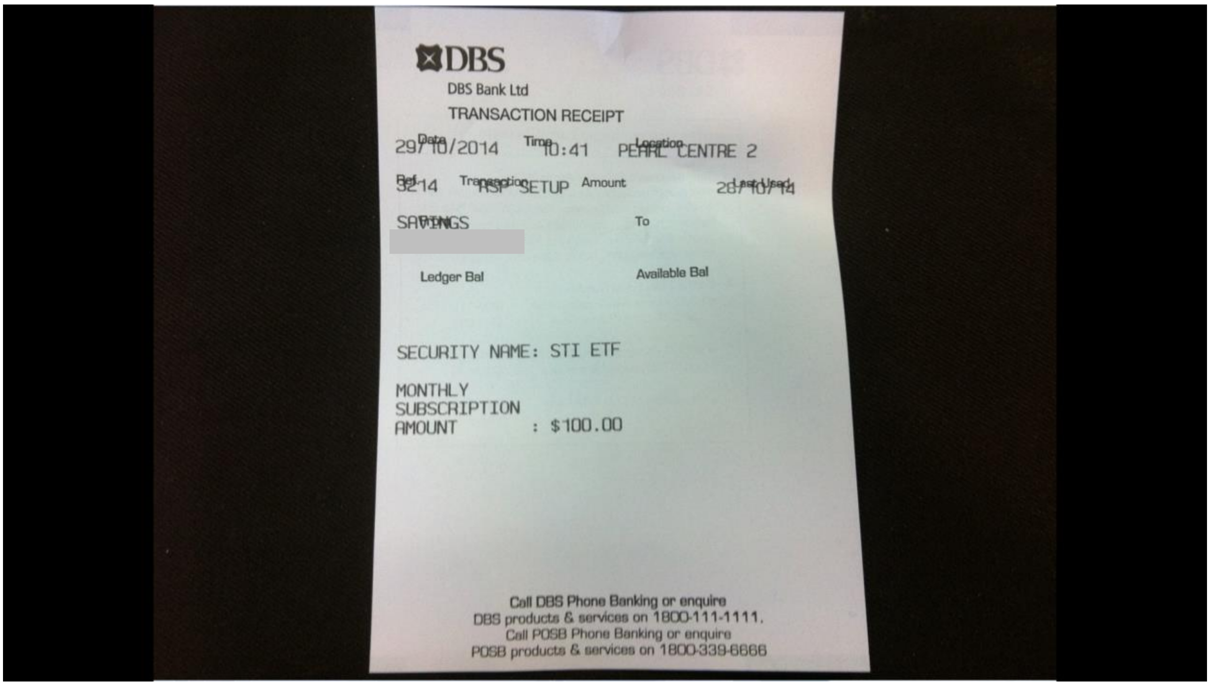

***NOTE: You can override the default amount of $100.***


FROM WHICH ACCOUNT PLEASE ?
POSB
CURRENT
DBS AUTOSAVE/
CURRENT
POSB
SAVINGS
DBS SAVINGS/
SAVINGS
Select the RELEVANT account type for deduction


PLEASE SELECT YOUR FROM ACCOUNT
032 CENSORED
005 CENSORED
Select the RELEVANT account if you have more than one


Select your Tax Status:
Resident
Foreign Investor
Note:
"Foreign Investor" refers to an individual who is not a resident in Singapore
(i.e. has not resided or exercised employment in Singapore for 183 days or more
in any calendar year). This ETF is not available to US Persons for subscription.


PLEASE CONFIRM YOUR RSP
SETUP / CHANGE
SECURITY NAME : STI ETF
ACCOUNT TYPE : DBS SAVINGS/
SAVINGS PLUS
ACCOUNT NUMBER: 032-
MONTHLY SUBSCRIPTION
AMOUNT : $100.00
CONFIRM


You can always terminate the plan any time that you want but do note that investing in ETFs should be long term. It's like treating it like a long term fixed deposit but with higher return.

On that note, I hope that this book is useful for you to understand about ETFs and how you can get started on investing.

***If you want to learn more about how you can generate 3 sources of passive income in addition to investing in ETFs, do join our Exclusive Free Value Investing Masterclass by clicking www.valueinvestingprogramme.com.***

Happy Investing!

Cheers!

Cayden Chang
Founder, Mind Kinesis Value Investing Academy

**Mind Kinesis**
**Value Investing Academy**
*15 mins to Financial Freedom*

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