



SECURING YOUR FUTURE THROUGH INVESTMENTS

In conjunction with National Financial Literacy Day (NFLD), BDCB encourages everyone to make informed investment decisions that support their long-term financial goals.

Investing can be one way to grow your money responsibly over time and help you work towards future goals, such as retirement, education, homeownership, or long-term financial stability. However, investing is not a quick way to make money. Before you start, it is important to understand how investments work, the risks involved and whether you are financially ready to invest.

Here are five key things to keep in mind when considering investments:

1. Build a Strong Financial Foundation

Before investing, review your income, expenses, savings, debts and monthly commitments. Make sure you also have an adequate emergency fund so you do not have to withdraw from your investments to cover unexpected expenses.

As a general rule, only invest money that you will not need for your day-to-day expenses or other financial commitments for the duration of the investment.

2. Set Clear Investment Goals

Think about what you are investing for and when you will need the money. Your goals and timeframe can influence the type of investment product you choose, how long you stay invested and the level of risk you can comfortably take.

For example, higher-risk investments may not suit short-term goals, whereas a longer timeframe may give you more time to ride out market fluctuations.

3. Understand the Product and Its Risks

Before investing, understand how the investment product works, including its risks, potential returns, fees, charges, investment period and withdrawal conditions. Be aware of the conditions that apply and understand that your returns may vary.

Higher potential returns generally come with higher risks. Do not invest based solely on trends or what others are doing — an investment that suits someone else may not be right for you.

4. Recognise Red Flags

Before investing, take time to check whether an investment opportunity is legitimate and watch for common warning signs. Be cautious of investment offers that promise guaranteed high returns with



little or no risk, or that pressure you to invest quickly. Other warning signs may include unsolicited offers, requests for payment through unusual methods, or promotions through unknown websites and social media accounts. If an offer sounds too good to be true, pause and check first.

5. Only Deal with Licensed Investment Providers

Always check that the financial institution, intermediary or representative is licensed to provide the relevant investment services by referring to the BDCB List of Licensees and the BDCB Alert List, which are available on BDCB's website.

Investments can support your long-term financial well-being, but the goal is not to chase quick profits. Instead, build a strong financial foundation, set clear goals, understand the risks, and make informed decisions suitable for your circumstances.

National Financial Literacy Day (NFLD) is an annual financial literacy event led by Brunei Darussalam Central Bank (BDCB) and supported by the National Financial Literacy Council (NFLC). Among the objectives of this event are to:

1. Enhance the level of financial literacy in Brunei Darussalam;
2. Promote smart money management; and
3. Increase awareness of financial products and services available in Brunei Darussalam.

Together, we can create a financially literate and resilient society.