Creative Economy
2022, VOL. 6, NO. 3, 3-20
DOI: 10.47297/wspceWSP2516-251901.20220603

Talking about the Influence of Financial Planning on Personal Life—Taking college students as example

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ABSTRACT
Financial management has an important impact on everyone's life. College students should have a clear understanding of their financial situation, develop good financial habits, make scientific financial strategies through objective analysis of their financial situation, actively avoid financial risks, and obtain maximum benefits.

KEYWORDS
Financial Planning College Students

1 Current Situation

Basic Information

First of all, I am a 26 year old single girl from Beijing, China and have no plans to get married anytime soon. Currently, as an international student I am pursuing a full-time Masters degree in Financial Analysis at the University of New South Wales. For this reason, my friend and I arrived in Sydney from Beijing in January 2022 and shared an apartment. Also, I plan to live here for a full year until I finish all my courses in January next year. Then I plan to return to China to live and look for a job in the financial industry after graduation. Finally, I worked as a financial consultant in China for 2 years, and my main job is to provide product design, formulate performance appraisal plans and staff skills training for banks. Therefore, starting from Term1 I plan to look for relevant internship opportunities in Sydney to increase my skills and broaden my horizons.

Table 1 Information for family members

Contents	Me	Father	Mother
Age	26	52	50
Gender	Female	Male	Female
Relationship Status	Single	Married	Married
Citizenship	China	China	China
Degree and major	Master of Financial Analysis	-	-
Study Mode	Full-time	-	-
Expected Graduation Date	In January 2022	-	-
Employment Status	Currently not working	Full-time	Full-time
Salary/Year	-	120000	80000
Expected Retirement Age	65	65	60
Health Status	Good	Good	Good
Current city of residence	Sydney	Beijing	Beijing
Living status	Rent	Own housing	Own housing

Income Statement

I have been living in China until January 2022 and have just arrived in Australia to start a new life for a month. So, to give a more complete picture of my income, I will use two income statements that include income and expenses for eleven months living in China and one month living in Australia. Since I live with my parents in China and I share a house with friends in Australia, my income and consumption will be slightly different.

Table 2 An income statement in China (February 2021-January 2022)

Contents	Income		Expense	
	Per month	Eleven months	Per month	Eleven months
Tuition			4090.91	45000
Food			505.05	5555.56
Transport (Bus/ subway/ high-speed rail/plane)			606.06	6666.67
Insurance			90.9	1000
Cloths/Shoes			363.63	4000
Phone bill			24.55	270
Internet bill			27.27	300
Living bill (Water/ Electricity/ Gas)			209.09	2300
Property management fee			30	330
Gift			63.64	700
Dining out			40.91	450
Doctor/Medical			27.27	300
Travel			272.72	3000
Total expense in China			6352.02	69872.23
Salary	2272.72	25000		
Parental support	4090.91	45000		
Investment (stocks/ funds/ wealth management)	909.1	10000		
Total income in China	7272.72	80000		
Profit	10127.77			

When I lived in China, I was a financial consultant, so I got a salary every month. Meanwhile, my investments in stocks and funds have returned about $10,000 over those 11 months. However, my tuition for IELTS and language classes was funded by my parents. Plus, I included a portion of my living bill in my expenses despite living with my parents.

This month I just came to live in Australia, I need to buy furniture, anti-epidemic materials and do a lot of business. This does not affect my judgment on the consumption level in the coming year.

Balance Sheet

First of all, when I was in high school, my parents bought a real estate for me in Beijing, which is located in Haidian District, the cultural and educational center of Beijing. The unit, which is close to shopping malls, subways and parks, has a current market value of about $1.6 million (see Appendix 1).

Over the years, because my undergraduate major is financial investment, the knowledge I have learned includes stocks, funds, foreign exchange and futures trading, and I will use the relevant knowledge I have learned to invest in the securities market. They bring me some extra profit, and I use them occasionally for living expenses despite the volatile market conditions. As for other assets such as computers, mobile phones and stereos, they are no longer listed.

In addition, I worked as a financial consultant for two years before and banked my salary every month for value-added investments. This salary distribution ratio includes approximately 20% of daily expenses, 10% of emergency reserve funds, and 70% of funds for investment. However, I use my credit card less often. For this study abroad, my tuition was funded by my parents and my living expenses were paid by myself. Therefore, I have no debt.

Table 3 An income statement in Australia (January 2022-February 2022)

Contents	Income		Expense	
	Per month	Per week	Per month	Per week
Tuition			6150	1537.5
Food			1000	250
Transport (Bus/ subway/ high-speed rail/plane)			200	50
Rent			500	125
Overseas student health cover			100	25
Cloths/Shoes			200	50
Phone bill			40	10
Internet bill			40	10
Living bill (Water/ Electricity/ Gas)			100	25
Epidemic prevention items			100	25
Furniture			50	12.5
Doctor/Medical			50	12.5
Travel			100	25
Total expense in Australia			8630	2157.5
Parental support	2500	10000		
Investment (stocks/ funds/ wealth management)	125	500		
Total income in Australia	2625	10500		
Profit	1870			

Table 4 Balance Sheet for January 2021 and 2022

Contents		January 2021	January 2022
Assets	House Property	1500000	1600000
	Funds	15000	25000
	Term Deposit	80000	90000
	Cash	1000	5000
Liabilities	—	—	—
Equity (net wealth)	-—	1596000	1720000

Insurance

In China, my parents bought a variety of insurance for me when I was a minor, including critical illness insurance and medical insurance.

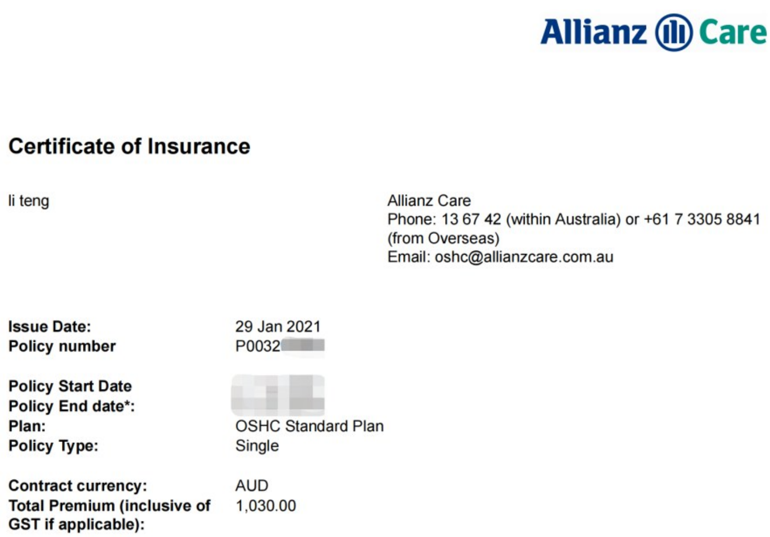
As an adult, I started paying for my own critical illness insurance and added accident insurance. In addition, I buy flight insurance for the plane when I travel to buy a ticket, although it's cheap, usually around $50. When I work, the company buys disability and income protection insurance for me. However, after choosing to come to Australia for my masters, I quit and the company stopped taking out insurance for me.

Chinese families generally believe that private medical insurance is a supplementary product to public medical insurance. Data from the China Household Finance Survey (CHFS) suggest that supplementing private health insurance may increase risk tolerance for financial investments. (Shi, S. & Jiang, Y., 2022). It is worth noting that large medical bills can deplete lifetime savings. According to a 2019 study by Mercer Consulting, the inflation rate of medical expenses is 9.6% globally, and the figure in China is even higher at 10.2%. (Liu, Y., Hao, Y. & Lu, Z., 2022).

Table 5 Insurance

Contents	Yes or none	Insurance provider	Annual premium paid	Level or amount of cover
Death Cover or Term Insurance	Yes	China Life Insurance	1500	250000
Total & Permanent Disability (TPD)	Yes	China Life Insurance	1000	150000
Income Protection or Salary Continuance	Not applicable	-	-	-
Trauma or whole of life policies	None	-	-	-
Home and contents insurance	Yes	China Life Insurance	1000	100000
Motor vehicle insurance	Not applicable	-	-	-
Private health insurance or overseas student health cover (OSHC)	Yes	Allianz Care	1030	Daily medical
Travel insurance	Yes	China Pacific Insurance	50	20000

Insurance is one of the tools to transfer risks, and it is one of the important choices in property investment for adults. According to the classification of different types of insurance, social insurance and commercial insurance are common. Social security includes pension insurance, medical insurance, work injury insurance, maternity insurance, unemployment insurance and housing provident fund. In addition, commercial insurance includes property insurance and personal insurance. Among them, property insurance involves auto insurance, liability insurance, credit insurance, property loss insurance, etc.; personal insurance mainly deals in life insurance, accident insurance, medical insurance, etc. In China, the four kinds of insurance that ordinary families pay most attention to are accident insurance, medical insurance, life insurance and critical illness insurance.


Allianz Care

Certificate of Insurance

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Allianz Care
Phone: 13 67 42 (within Australia) or +61 7 3305 8841 (from Overseas)
Email: oshc@allianzcare.com.au

Issue Date:	29 Jan 2021
Policy number	P0032[redacted]
Policy Start Date	[redacted]
Policy End date*:	
Plan:	OSHC Standard Plan
Policy Type:	Single
Contract currency:	AUD
Total Premium (inclusive of GST if applicable):	1,030.00

Chart 1 Overseas Student Insurance

Finally, applying for overseas student health insurance is a must-have material when applying for a visa, so I chose the insurance company that international students choose the most. Hopefully in a year of living in Australia, I don't need to go to the doctor and use it. However, at other stages of my life I need to consider different commercial insurance to supplement social insurance protection funds. For example, when I get married, I need to increase the proportion of accident insurance and medical insurance. And, as I get older, I need to think more about buying critical illness insurance and life insurance.

Estate Planning

It is true that there is very little awareness in the Chinese people that they can avoid disputes between their children by making a will. However, I think that at different stages of my life, I need to think differently about making a will. Although I am young now, I know that due to the variety and complexity of family property, making a will allows you to define the scope of your estate and to administer your estate as you wish. According to Chinese law, making a will can effectively avoid disputes between some relatives and effectively prevent the marriage risks of children.

Therefore, after graduation, I will make a will that will benefit my parents after I find a job to prevent accidents. After marriage, I will give him most of the inheritance after having children. My parents have only me as a child, and they may choose to make a will before I get married to avoid my future marriage in a bad situation and the property will be divided.

Anticipated Irregular Cash Outflows

First of all, for the next year studying in Australia, I need to pay 500 AUD per week for rent, 80 AUD Bill and about 200 AUD for food. Other small consumer items I will not mention here for the time being. This requires me to plan my quarterly, monthly and weekly consumption in detail. For example, go to the supermarket twice a week to buy daily necessities, recharge the bus card once, and eat at restaurants with friends twice a week. Reasonable planning can not only help me to distinguish the proportion of consumption and investment to prepare for financial management, but also help me reduce unnecessary unexpected expenses to reduce my financial burden.

The real estate market is not only an important part of China's economy, but also an integral part of China's financial system. According to 2017 statistics, total housing sales are equivalent to 16.4% of China's GDP (Liu, C., & Xiong, W., 2018). This means that housing is the main investment target of most households in China. When I was abroad, my parents rented out a house under my name in Beijing, China to others to collect rent. After returning to China, I need to redecorate the house. The renovation budget generally includes design costs, material costs, labour costs, and management costs. The most basic part of the decoration budget includes the renovation of interior walls, laying of water and electricity pipes, and purchase of furniture. According to the decoration standards of normal medium-sized houses, they will account for about 70% of the total cost of the decoration budget of new houses. According to the calculation of material and labour costs in China, the renovation of this house will cost about 30,000 dollars.

In addition, travel is a plan with special significance. It can not only help us adjust our emotions, but also broaden our horizons. As a young man I planned to travel 2 times a year after finding a suitable job. If it is a domestic trip, according to the average price level of popular tourist cities in China, I need to prepare about 3,000 Australian dollars for each trip. However, if traveling abroad, I would need about AUD 10,000 depending on whether I choose a developed or developing country.

At the same time, due to China's rapid urban expansion and population growth, most cities suffer from severe traffic congestion, causing working-class workers who need to go to work to choose to use the subway. This is because the subway can help them get to work on time. However, However, even for an ordinary family car, the annual insurance, maintenance, fuel costs and repair costs add up to about 10, 000 Australian dollars. I still need to buy a car as a means of transportation for gathering with friends on weekends or taking my family to travel around the city, it will facilitate my life and improve my quality of life.

2 Life Planning

Life Values and Principles

Table 6 Values and Principles

Value	Principle
Honesty	Honesty is one of the basic principles of communicating with people and doing things. To save family and friends from being upset, I will never lie to them. At work, I will always complete every job with honesty, and I think leaders will see my seriousness.
Open-mindedness	Although being open-minded is not an easy task. But having an open mind can lift my mood and improve my quality of life. I will try my best to be self-righteous and try to understand the thoughts and actions of others.
Humble	Humility is the most wise and most important attitude. A person who understands humility is a truly powerful person. In the future I will not exaggerate my abilities or worth, and I will not be conceited or reckless. Before I make an important decision or take action, I proactively ask others for advice or advice.
Cautious	A prudent person can usually avoid many unfortunate events. I will pay close attention to external things or my own words and deeds. For example, ignoring a sudden "winning" text message, or carefully observing the surrounding environment or people when you first arrive in a new environment.
Brave	Bravery is a good quality, but it does not mean reckless. Being brave will help me pursue a better life. For the study, work and life that I will face in the future, I will bravely meet every challenge according to the plan of my life.
Fairness	Fairness in people's minds means dealing with things in a fair and just principle. Equity will directly affect people's work enthusiasm and efforts, because everyone involved in social cooperation should also receive corresponding benefits when they take on their responsibilities. I will always be fair to everyone I meet, no matter where they are from and whether they have a disability.
Thriftiness	Thriftiness is a valuable spiritual quality. A wise and thrifty person will be well prepared for the misfortunes that may befall his family and himself in the future. And frugal people are usually not tempted by money or fame. As a young person I may have many uses for my money, so I need to be thrifty on a daily basis and try to donate the money I save as charitable funds to those in need.
Compassionate	A compassionate person tends to have delicate feelings, full of warmth and fraternity. Compassion is the ability to feel the suffering, hardship and helplessness of others. A compassionate person is often kind, tolerant and generous. I want to be a compassionate person and be able to help those I can, which will make me happy.
Honouring parents and elders	Honouring parents and elders is a simple and beautiful thing. Our parents raised us and we should show love and respect to them to make the door happy. I will always love my parents to share life with them and take care of them sincerely.
Comprehensive	Someone who can think comprehensively may become a leader. When faced with major choices in life or work, a person who can consider all aspects tends to have a higher probability of success. In the future, I will plan my job search, get married, and socialize, and try to do my best.

Values can have a profound and lasting impact on our life-long development, and it also determines the happiness of life. The right values guide us towards a positive and bright future, and the wrong values can lead us astray and fill our lives with gloom.

Life Stages

Table 7 Life Path

Stages	Age
Student	26– 27
Single worker	27– 32
Couple with dependent children	32– 50
Couple with adult children	50– 60
Financially independent couple	60– 85

Student

This year I applied for a full-time Masters degree in Financial Analysis at UNSW. I left my parents and started a new life in Australia. First of all, I will earnestly study the knowledge taught by my teachers and try to find suitable internship opportunities in the financial industry in Sydney to improve my skills and broaden my horizons. At the same time, I think it will be a very good year because I will be happy to make new friends to enrich my extracurricular life. For example, I plan to use my vacation to travel in Brisbane, Cairns and Tasmania with my friends in Australia, which is expected to cost a total of 20,000 Australian dollars.

Single worker

I will go back to China after graduation because my parents are in Beijing and there are more job opportunities in Beijing. Then, as a fresh graduate financial analysis major, I would try to find a related job, it might be a financial analyst. Then I also need to learn the relevant knowledge of CFA and get the certificate, because this will be beneficial to my future career development. At the same time, I will choose a partner whose quality and family are suitable for me to start a relationship.

Couple with dependent children

When my career is stable, I might choose to get married in my 30s and have two kids. I hope it's a boy and a girl, because two children can grow up with each other. My husband and I would educate them well and develop their hobbies.

The education of children is considered vital in Chinese families, so before the child is 5 years old, I may mainly focus on the upbringing of the child. When my child is in elementary school, I will choose to continue to be promoted or start a business according to the work situation at that time. But I would much rather have my own company because the cost of raising children is a huge expense. Therefore, I may start a business with like-minded friends or start a small business part-time to earn more assets.

Couple with adult children

Now that my two children are grown and have their own lives, I no longer need financial support for them. My husband and I should have accumulated some life experience by this stage, and we may be able to focus on our most important work and enjoy life at other times. But we also continue to save for our children and our own retirement. At this time, I am more inclined to make some stable investments to keep my funds from shrinking due to inflation.

Financially independent couple

At this point, my husband and I are retiring. By this time we should be financially independent and our children will occasionally give us financial subsidies. But I may still choose to be a consultant occasionally to impart work experience to young people. Also, my husband and I have to start getting yearly health check-ups and we'll be making a will. When we are healthy, we often travel to some countries and cities that we yearned for when we were young. We can help care for grandchildren when we are physically able. This life is what I think is beautiful and happy.

Life Goals

Life

After a stable job, I need to think about getting married and having children. In China, getting married is a very complicated but very happy thing. I hope to meet someone with similar education, relationship and financial situation to me, so that we can get along more easily. We can have our first child before the age of 32 so we can have the energy to give him a better education. The education cost of raising a child to adulthood in Beijing, China is approximately AU$650,000 if inflation is not taken into account.

My dream has always been to travel around the world, and I want to travel abroad once a year after my job is stable. The cost includes airfare, hotel and meals for about $10,000. For an ordinary short holiday, I will choose to travel 2-3 times in the country, which costs about 3,000 Australian dollars. If it's a post-wedding trip, I think it will cost about twice as much as when I was single. This is because I need to travel with my husband and children.

In my spare time, my hobbies are violin and swimming. My violin grade is grade 8, but I have not yet taken the diving certification. During my study abroad in Australia, I learned that Australia's waters are very suitable for learning diving, so I plan to obtain a diving certificate before returning to China. And in my future life, I may go to coastal countries or travel a lot, if I have a diving certificate, I will be able to have a better life.

Financial

Although my parents already bought a property for me when I was in high school, I still want to buy another two-bedroom, one-bedroom house in Chaoyang District, Beijing, which is convenient and close to the city centre, before I turn 35. I want to invest in this house and rent it to young people working nearby to earn rent, and I can also give it to my children in the future. According to China's second-hand housing trading website, a house of about 100 square meters in Chaoyang District is worth about 1,700,000 Australian dollars without taking inflation into account. If I wanted to own it before I was 35, I would need to put down about $500,000 and then repay the loan every month until it's paid off. This may affect my quality of life, so after paying the down payment, I use the rent collected to repay part of the loan to relieve my stress.

Also, I need a car of my own, it doesn't have to be expensive, around 50,000 AUD. I still choose the subway to commute to get off work, because the traffic jam problem in Beijing is very serious. However, on weekends I can drive my family and friends to a suburban picnic or party, and even the car is useful in an emergency. According to China's welfare policy for returning international students, every international student who chooses to return to China can apply for the purchase of a duty-free imported car, which means that I can save 10,000-15,000 Australian dollars in car purchase costs when I return to China.

Career

I worked as a financial consultant for 2 years before doing my master's. The workload of this job is huge, I have to work almost 12 hours a day. However, I have to say that this job has greatly helped me improve my abilities. After graduating from UNSW I hope to find a job as a financial analyst. I plan to get CFA certificate in 5 years and be promoted to project manager during this period to improve my management and decision-making ability. Then I will look for opportunities to start a business with like-minded friends. I hope that I can use my previous work experience to improve the success rate of the business.

Chart 2 Home prices on second-hand housing sites

3 Financial Strategy (Unit 2)

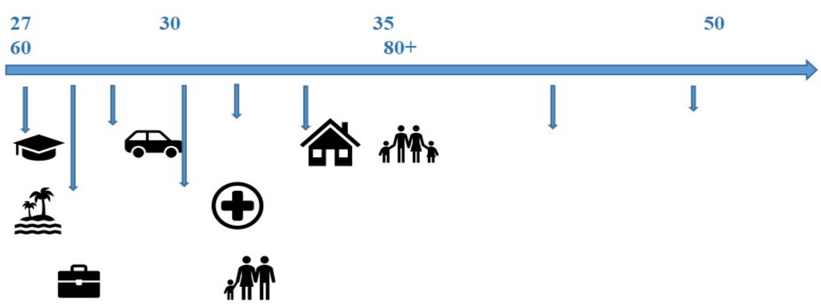

Chart 3 Life stage

Single worker

This period is the beginning of my career, and my income is not necessarily large, so my primary goal is to establish good financial habits. Financial planning is a comprehensive process that can help individuals or families make rational use of financial resources, maintain a balance of income and expenditure through financial management, and achieve life goals. Since my parents have already bought a house for me, I don't need to pay extra rent. I would limit the frequency of high spending and create a regular monthly savings plan which includes savings in stocks, funds or insurance. Although the monthly investment amounts are small, they have a long-term compounding effect, so the accumulated wealth can become a reserve for my other life goals such as marriage or travel, or even an important part of retirement planning. According to the average salary of graduate students in the financial industry in China, my salary should be around 5000-7000 Australian dollars per month. If I work in Beijing I won't need to rent, so I can plan to save 3000-4000 AUD per month.

Couple with dependent children

I am newly married at this stage and may need to co-pay for a new home, so I need insurance with critical illness, income and disability coverage to protect my husband and I from financial hardship. Assuming inflation is not included, the cost of the insurance is about $10,000 a year, and the interest rate on the home loan is around 5.3 per cent. With my husband and I's wages, it would take us about 20 years (around age 55) to pay off the loan. In addition, since my child is young at this stage, I need to plan a more appropriate investment plan for savings and appreciation for his education and medical expenses, and even need to prepare funds for the children's future university education abroad. If you can use part of your balance of income and expenditure to make accumulative long-term financial investment during the struggling period or working period, and accumulate rich pension funds for your future old age, you can enjoy a comfortable old age life.

Couple with adult children

This is the golden stage of work and often the peak of a career. I need to take advantage of this high-income period to make long-term plans for my family and retirement. At this stage, I will focus on stability. The investment goal is no longer mainly to find short-term profit opportunities in the securities market, but to establish a long-term stable growth investment portfolio. Therefore, I plan to use 20% of other assets other than fixed assets for insurance, 30% for consumption, 40% for investment funds or regular savings, and 10% for emergency use. If couples who have already formed a family do not use scientific financial management methods and prepare various plans to deal with risks in advance, once financial risks occur, individuals or families are likely to fall into financial difficulties. It will directly lead to a decline in the quality of life of other family members, such as insufficient education funds for children in the future, and support for the elderly. The significance of financial planning is to use existing and predictable resources to make long-term, planned, and continuous layouts to achieve lifelong financial balance.

Financially independent couple

This is near or near retirement and I have paid off all my loans. As a result, my financial planning goals are no longer asset appreciation, but retirement savings, medical planning, and wills. First, I will gradually adjust the investment portfolio to less volatile, value-preserving investments, such as bonds, bond funds, real estate funds, and annuity plans. This amount is about 40%. Then, use 30% of your total assets to carefully plan your medical coverage to ensure you still enjoy comprehensive medical coverage in retirement. In addition, a will and trust must be established so that the estate can be distributed according to my personal wishes. After that, I can basically enjoy financial freedom, and will use 20% of my assets for travel or enjoying life after retirement.

4 Financial Independence

If I retire at 65, in addition to my normal living expenses, I would also like to be able to travel with my spouse once a year, which will total about \$35,000 a year. According to China's inflation rate of about 2.5% and the nominal rate of return can be around 5.5%, the real rate of return is around 3%. Assuming I remain financially independent for 25 years from age 65 to age 90, I would need A\$609, 460.2 according to the formula.

$$P_{65} = 35000 \times \left[\frac{1 - (1 + 3\%)^{-25}}{3\%} \right] = 609{,}460.2$$

Therefore, from the time I graduated at 27 until I retired at 65, I calculated that I would need to save about \$16,716.2 a year.

$$C = P_{65} \div \left[\frac{(1 + 3\%)^{25} - 1}{3\%} \right] = 16716.2$$

Pension planning is to ensure that you can still live a comfortable level of life after retirement. Therefore, planning for retirement to enjoy a high-quality retirement life is an important financial goal of mine.

5 Career Strategy

Labour market

I plan to return to Beijing after graduation and look for a job as a financial analyst or financial consultant in the financial industry. Financial analysts are known as "Golden Collars" in the investment finance world, so I need to hold a CFA certificate.

Economic cycle

In the past two years, the global economic development has stagnated due to the outbreak of the new crown pneumonia. The recession has shut down many industries and companies have had to give up some of their workforce after losing money. Unemployment continues to rise, leading to a reduction in people's income and consumption. Although the government may have taken some steps to reduce unemployment and encourage businesses to hire workers. But the financial industry is highly sensitive to changes in the economic environment, so it also has serious problems with employment. Many companies have cut back on hiring, leaving many graduates unable to find suitable jobs after graduation. Ordinary jobs in the financial industry are highly substitutable, so there will be students from other majors competing with business graduates for the same job. Therefore, in the Chinese job market, if I want to get a job with a good salary, I need to have both education and ability.

Structural change

The arrival of financial technology has injected new vitality into the development of the financial industry, and promoted the continuous innovation of traditional financial institutions. Moreover, with the investment of financial technology, it has been widely and deeply used in major financial and financial industries, especially in accounting, banking, insurance, securities and other fields. The application of fintech in major financial industries is as follows:

1. In the field of accounting: financial robots replace the traditional accounting that relies on manual accounting in all aspects, and in other aspects, it presents more auxiliary functions to the company.

2. In the banking field: Fintech has a certain alternative to customer service work, and the

emergence of robo-advisors will have a great impact on low-end financial investment advisory positions.

3. In the insurance field: some simple, repetitive, and biased data analysis and comparison work in underwriting and claims settlement will be gradually replaced by intelligent applications, which basically play an auxiliary role in other aspects.

5. In the field of securities: It is also a great substitute for data analysis work, but has little impact on management work.

In conclusion, although fintech is still in its infancy, it has already caused changes in the way these industries operate and develop. The financial industry may gradually need talents who understand both technology and finance. So I enrolled in a course in financial engineering in my master's program at UNSW and I'm also trying to get a CFA credential which guarantees that I won't be replaced.

Values

I used to be a financial consultant and I really liked the satisfaction and many skills this job brought me. At the same time, I can seriously and honestly make the most suitable financial plan or sales plan for my clients. I am also able to fully consider and respect the different viewpoints of clients. And the content of my current graduate coursework will be more conducive for me to become a financial analyst.

Personality

Finance is an industry that requires good interpersonal communication skills, especially in the direction of corporate finance. Strong communication skills are the prerequisite and foundation for success. Since the financial industry is an industry that needs to constantly update knowledge, if you want to engage in this industry, you need to keep a learning attitude, be curious about new things, and have the courage to explore and discover unknown things. I am a girl who likes to communicate with people, and choosing to continue working in the financial industry is more in line with my character.

Work styles

The financial industry is a very good place to start, despite its long working hours and high employment pressure. But recent graduates who choose to work in the financial industry can quickly improve their ability to adapt to this environment. The financial industry is an industry that deals with money. Our usual work business is dealing with money, so the financial business knowledge we have learned because of our work can also be used in our lives. In the financial ecosystem, we can see all walks of life. For example, a financial researcher studies stocks and bonds, as well as corporate profitability. For me, the work of a financial analyst has greatly enriched my entire life. These skills have been very helpful for me to stay in the financial industry or start my own business.

Career goals

After graduation, I hope to be a financial analyst in a financial institution. I gave myself 5 years to gain experience. Then at 33, I should be able to be a manager. After that I will continue to learn new fintech knowledge and become the director of an analytics team before the age of 40. At 45 I will try to start a business with friends. At 50 I would step back into the background and start researching my area of expertise and working part-time as a consultant to teach young people work experience.

Career goals

• Enter the workplace with humility and respect for colleagues. Therefore, I need to humbly ask experienced colleagues for advice and listen carefully to their suggestions. Meet the work with a serious and meticulous attitude, and at the same time summarize the experience in the work.

•Workplace communication is important. Communicating with co-workers can enhance relationships and gain knowledge. Communication with leaders can increase mutual understanding and gain the trust of leaders.

• Thinking hard helps me to innovate the content of my work. A good financial plan requires not only rigid expertise but also innovation in the context of reality.

• Be tolerant and patient. When we first start working, we need to focus on learning knowledge and skills, and we should not care about whether we have received certain rewards.

• In the workplace, what I have to do is to understand my position and clarify my work goals. Clearly define specific criteria for the work product, such as time frame, quality, cost, etc., when the job is received. Then complete it efficiently according to quality and quantity.

Risk analysis

The main job of a financial analyst is to collect and analyse financial information, determine its trends and make economic forecasts. The work of financial analysts mainly includes online communication with customers, effective communication and understanding of customer needs, and assisting analysts in maintaining old customers. Responsible for the construction of the investment risk control system, formulate corresponding policies, systems, processes and procedures for internal control and review. Collect and organize data according to the data. Evaluate the transaction situation of relevant customers and give corresponding operation suggestions. Financial analysts have a greater responsibility because they must ensure the accuracy of the analysis, especially the requirements. Therefore, I need a strong sense of responsibility and professionalism.

In addition, new ideas, new technologies and new methods are emerging in an endless stream. I need to be able to introduce new ideas, new technologies and new methods in a timely and appropriate manner to improve production efficiency for enterprises, reduce labour intensity for employees, and provide customers with more competitive and practical products and services. . In addition, financial analysts often need to participate in the bidding analysis of projects. In order to ensure the profits of enterprises and the interests of customers, financial accounting must be carried out, and they need to have the ability of accounting, finance, cost calculation and other aspects. To this end, I applied to UNSW Financial Analysis to improve my financial analysis skills.

Career Action plan

• In the short term (less than 1 year), I need to look for a job as a financial analyst.

• In the medium term (1 to 5 years), I need to take the CFA certificate and be familiar with the job content and skills of a financial analyst.

• In the long-term (5+years), I have been able to do all the work of a financial analyst independently and with high quality.

6 Property and Loans

Property Strategy

In high school, my parents helped me buy a 100-square-meter apartment in Haidian District, Beijing, with a current market value of about A $1, 600, 000. This apartment is located in the education centre of Beijing, surrounded by many well-known high schools and universities. So instead of selling it, I'm going to leave it to my future kids. Because living here will make it easier for me to commute home from get off work, and I can find a good elementary or high school or even a university for my children here. Even though I have already purchased a property, I still want to buy another two-bedroom, one-bedroom house in Chaoyang District, Beijing, which is easily accessible and close to the city centre, before I turn 35. I want to invest in this house and rent it to young people working nearby to earn rent, and I can also give it to my children in the future. According to China's second-hand housing trading website, a house of about 100 square meters in Chaoyang District is worth about 1,700,000 Australian dollars. If I wanted to own it before I was 35, I would need to put down about $500,000 and then repay the loan every month until it's paid off. This may affect my quality of life, so after paying the down payment, I use the rent collected to repay part of the loan to relieve my stress.

Property Borrowing Strategy

Purchasing a home under mortgage-related policies is a thought-provoking decision. Because it may affect our standard of living. According to laws and regulations, the monthly mortgage repayment amount cannot exceed 50% of an individual's monthly salary. Then I need to put down A $850,000 and make over A $4,000 a month in repayments over 30 years. Because I plan to buy a house when I'm 32, my monthly salary at that time should be between $9000- $11, 000. If I get married by this time, then my husband will share the loan with me. Assuming his salary is A$10,000, the two of us can pay over A$2,000 each.

Mortgage calculation

Table 8 Home Loan Calculator

Total housing price(Yuan)	Down payment	Amount of loan (Yuan)	Method of loan	Term of loan (year)	Monthly loan re-payments (equal principal and interest) yuan	Mode of interest rate
RMB 7.3 million	50% down payment option (3.65 million)	RMB 3.65million	Combined loan	30	RMB 18712	latest LPR

7 Risk Management

Key Risks

Uncertain events may hinder our normal life, and financial planning can allow us to have enough funds to protect our lives after emergencies happen. Among them, buying insurance is conducive to reducing the impact of risks. Insurance can provide protection for common accidents, health, death and other risk factors, which can reduce risk losses and effectively resist risks. Moreover, insurance has a certain investment nature, and wealth inheritance can be carried out by designating beneficiaries, and it is a tool for allocating funds.

Table 9 Category of risk

Contents	Likelihood			Impact		
	Low	Medium	High	Low	Medium	High
Illness			√			√
Serious Illness		√				√
Disabled	√					√
Traffic Collision		√			√	
Natural disasters (hurricanes, earthquakes, fires, floods, tsunamis)	√					√
Property Loss	√					√

Illness

Ordinary people get sick, such as stomach pain, toothache or diarrhea. Although these diseases are easy to treat, they still cost a lot of money and make me miserable. In China, companies buy medical insurance for their employees, so we can use medical insurance for reimbursement.

Serious Illness

For people over the age of 40, the risk of some serious diseases increases. Not only do they cause great pain to patients and their families, but they also generate enormous costs. Therefore, I will insist on buying critical illness insurance for myself and my family during the struggle stage of my life.

Disabled

Disability usually affects work and life, so companies pay disability insurance to employees. If there is medical insurance as a guarantee, the burden of huge medical expenses can be alleviated.

Traffic Collision

One refers to cases caused by a passer-by being hit by a car. The other is that you need to pay for a collision with your own car. For the first case, I would buy accident insurance, and for the second case, I would buy auto insurance.

Natural disasters (hurricanes, earthquakes, fires, floods, tsunamis)

Cities living in coastal cities or earthquake zones are more likely to face natural disasters. Therefore, if I choose to work in a coastal city after graduation, I will buy a copy of this insurance.

Property Loss

As wages increase, people's wealth increases. In order to better protect personal property or real estate. I would choose to purchase a copy of this performance to keep my property safe. Another function of insurance that is gradually being valued is to help people achieve their education and retirement goals. For example, education insurance guarantees children's education and provides education financial support at a specific stage of education for children. The endowment insurance is aimed at guaranteeing the old-age life of the insured and helping people achieve the purpose of comfortable retirement.

Life Insurance

In China, life insurance is divided into term life insurance and whole life insurance, and these two types of products have their own advantages. The biggest difference between term life insurance and whole life insurance is that whole life insurance can pay 100% and its certainty is very strong. If you want to leave a sum of money for your children in the future, but the future (time) is uncertain, but the amount is certain, whole life insurance is a very good wealth inheritance tool. I plan to start buying whole life insurance at the age of 40.

Health Insurance

Between the ages of 27-65 I was working, so the company would buy medical insurance for me. But during this period, I will also be responsible for my family, so I not only need to buy accident insurance but also major disease insurance to avoid possible serious diseases that will bring huge economic disasters to me and my family. After I retire at 65, I can continue to enjoy the benefits of my health insurance.

General Insurance

According to my life plan, I will own a car around the age of 30. In order to avoid losses caused by traffic accidents, I will buy auto insurance. Also, like I said before, if I choose to work in a coastal city or a city with frequent earthquakes, I will buy natural disaster insurance for my house.

Estate Planning

After marriage, I will divide the estate according to the composition of my assets and that of my spouse. If we have no children, the estate is divided equally among our parents and spouses. If we have children and the children are minors, I will divide the estate equally between my husband's parents and our children. But since the child is a minor, the estate distributed to the child is temporarily managed by our parents with the help of our parents. This part of the estate will be managed by the child after the child becomes an adult.

8 Taxation Planning

Assessable income

My assessable income includes salary income, personal investment profit and real estate appreciation. Before the age of 40, my annual income was below 120000 yuan and I didn't enter the third stage of tax payment. I expect my average annual income at this stage to be $90000. The tax payable is $19717 (5092 + 14625). I can put part of my income directly into my pension account to reduce tax. After I turn 40, my annual income is expected to exceed $120000, and the excess will face 37% tax. I will deposit as much income as possible into the pension account.

Table 10 Tax Reference Form

Bracket	Taxable income p.a.	Marginal tax rate	Tax on previous brackets
1	$0 - $18,200	0%	$0
2	$18,201 - $45,000	19%	$0
3	$45,001 - $120,000	32.5%	$5,092 = 0 + 19% x (45,000 - 18,200)
4	$120,001 - $180,000	37%	$29,467 = 5,092 + 32.5% x (120,000 - 45,000)
5	$180,001 or more	45%	$51,667 = 29,467 + 37% x (180,000 - 120,000)

Allowable deduction

I will carry out as many professional skills training as possible, which can not only reduce taxes, but also improve personal vocational skills. I will buy real estate because the annual repair fee, agency fee and advertising fee of the house can be exempted from tax. The house can also realize the continuous appreciation of 2.5% every year and deduct the tax exemption brought by the cost discount of 2.5%. In addition, the insurance I buy can also provide tax relief for me, including life insurance and disability insurance.

Taxation strategy

Transfer as much income as possible into the pension, so that I can reduce the general tax and realize the pension growth of 3% per year.

Buying insurance for yourself can not only improve security, but also exempt from tax.

If I think it is feasible to invest with loans, I can exempt the interest generated and create income for myself.

I will pay more attention to long-term investment, which will last more than one year. In this way, half of the individual income tax can be reduced.

9 Investment Strategy

Table 11 Portfolios for different life stages

Stages	Products	Investment period	Risk tolerance
Student (26– 27)	Deposit 50%+ fund 30%	Short-term	powerful
Single worker (27– 32)	Stocks 30%+ funds 30%+ futures 15%	Short-term	powerful
Couple with dependent children (32–50)	Deposits 30%+ funds 30%+ real estate 40%	Medium term	weak
Couple with adult children (50– 60)	Deposits 40%+ real estate 50%	Long-term	weak
Financially independent couple (60– 85)	Deposits 80%	Long-term	weak

Portfolios are a common form of risk aversion. It is generally believed that the investment portfolio is the matching and combination of investment directions such as bank savings, bonds, stocks, real estate, precious metals and other investment varieties. Around the age of 26-35, I think I was able to work when I was younger, so I was more risk-tolerant enough to invest in high-risk, high-reward products such as stocks and futures. In 2021 my stock yield is 7% and my fund yield is 11%. However, as I grow older, between the ages of 35-65, I need to consider children and family, so I will choose stable investments such as savings and bonds to protect the normal expenses of the family.

10 Action Plan

- Find an internship with a suitable financial institution in Sydney this year.
- Successfully passed all courses this year.
- Find a like-minded boyfriend.
- After graduating at the age of 27, returned to China to find a job as a financial analyst.

- Insist on investing in asset appreciation.
- Married at 30, had children at 32.
- Complete the CFA certificate at the age of 35.
- 35-year-old down payment for a two-bedroom, one-bedroom residence in Chaoyang District, Beijing.
- Became director of financial analysis at age 38.
- Over A$10,000 per month at age 40.
- Start a business with like-minded friends at age 45.
- Make a will at age 50.
- Become an industry consultant at 60.
- 65-year-old home loan repayment.
- 65-year-old to travel around the world with spouse.

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