



WHY BUILD A ROADMAP FOR YOUR FINANCIAL JOURNEY?

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An artwork is a reflection of the artist's mind. The intense overlaps of ideas and imaginations illuminate the canvas that the artist is working on. These artistic ideas draw an imaginary roadmap in the artist's mind. There is a vision of a masterpiece in the artist's mind, even before the first brushstroke meets the canvas.

Something similar goes on in the mind of a chess player too. Vishwanathan Anand himself admitted that he can think a dozen moves in advance. At a grandmaster level, that is a lot of foresight, considering the quality of opposition he faces. Professional chess requires the player to out-think the opponent through foresight and strategy.

Thus, whether it is a creative endeavour like art, or a cut-throat competitive discipline like chess, thinking ahead is a must. It gives the person the imagination as well as the analytical foresight to excel. Excelling in art is about creating a magnum opus, while in chess it is about getting the right result. Both of these outcomes are required in finance.

Pre-empting Your Finances

Thinking is an important part of financial success. And we don't mean pipe dreams about building a fortune. Thinking helps you develop ideas, visualise goals and develop a roadmap, which are all equally important for successful financial management.

An artist has a vision of the final image in mind, based on which he or she prepares to create the art. A chess player perhaps thinks of scalping the vital rook, bishop or queen and makes the move accordingly. A layperson, similarly, must have clearly defined goals in mind along with the money required to achieve them. Your financial management is a roadmap towards your financial goals.

In personal finance, asset allocation is something that is unique for every individual. Your asset allocation cannot be a replica of your friend's. This is because your income, goals, risk appetite, time horizon, etc. cannot be identical. Like an artist, your canvas of investments has to be uniquely original.

Avoiding the Beaten Track

Artists follow the proverbial 'road less travelled' for it is where they find their creative excellence. A chess player too, must avoid the predictable and come up with moves that the opponent cannot see through. As an investor, you will have to weather the market forces and emerge successful on the other side and avoid placing pitfalls in your roadmap.

You have your financial goals which you must achieve. To do so, you have to save and invest X amount and make sure that it becomes X+Y by the time the goal is nearer. With too much focus on goals and growth, people tend to lose focus on risks. Futures and options can be a faster way of earning money. You may have peers in your network who are minting money through it. Yet, if you approach the derivatives market with half-baked knowledge, you might end up as one of the 89% equity F&O traders who suffered losses in FY 2021-22.

The One Big Project

Most of us know how technology projects are driven by a roadmap and milestones. This approach adds discipline and focus to the project and helps in its quality and timeliness. You should treat your finances as one such big and long-term project. Your financial goals are the milestones of this project, while the investments made are the work done towards the completion of the project.

Your financial roadmap is a simple visualisation of your financial priorities and goals. It will help you to maximise your saving and investment efforts during your life's journey. This roadmap would typically include organising your finances, setting financial goals, designing and maintaining your budget, developing a savings plan across emergency funds, short and long-term savings, retirement planning, etc. and paying off outstanding debts along the way.

In Conclusion

Like any journey, your financial journey will be filled with straight drives, turns and diversions. Chess players think ahead and make roadmaps, to come up with possibilities that get them to their goal without falling for a trap. Artists collect their thoughts and draw ideas from years of training and experience before picking up the brush. Every stroke of the brush is a crucial part of what becomes their work of art.

At Moneyedge, we draw inspiration from artistic and strategic activities like painting and chess to create tailored, carefully planned roadmaps. These roadmaps help our clients in reaching their financial goals. Meticulous brainstorming of every financial decision and strategy helps Moneyedge to create secure and successful financial futures for our patrons. We hope to join hands with you as we splash the colours of success on your financial canvas.