

## Factsheet – MoneySENSE

MoneySENSE is the national financial education programme in Singapore. Launched in 2003, the programme aims to enable consumers to become more self-reliant in their financial affairs. It does this by helping consumers acquire the knowledge and skills to manage their day-to-day finances, make prudent investments, plan for their longer-term needs and exercise their rights as consumers of financial services. This, in turn, serves the twin objectives of helping consumers to attain financial well-being and consumer protection.

MoneySENSE is spearheaded by the Financial Education Steering Committee (FESC). The Monetary Authority of Singapore (MAS) chairs the FESC, which comprises representatives from several public sector agencies and government ministries, including the Ministry of Education (MOE), Ministry of Health (MOH), Ministry of Manpower (MOM), Ministry of Social and Family Development (MSF), Central Provident Fund Board (CPFBoard)<sup>1</sup>, National Library Board (NLB) and People's Association (PA)<sup>2</sup>. MAS also serves as the secretariat to the FESC.

MoneySENSE also works closely with various associations and organisations<sup>3</sup> to further financial education outreach to the population. Volunteers and partners from institutes of higher learning, consumer and investor organisations and industry associations help financial education efforts by developing content, fielding speakers, providing logistics and administration support and other resources. MoneySENSE also works with community organisations to better understand the needs of different population segments so that they may be addressed through customised programmes. MoneySENSE education initiatives are objective, unbiased and free.

### **MoneySENSE Initiatives**

MoneySENSE initiatives aim to equip Singaporeans with the basic knowledge and capabilities to perform four key activities in a prudent way:

1. Manage their cash flow and live within their means
2. Buy a home that they can afford
3. Be financially prepared should unforeseen events like accidents and illnesses occur (providing for themselves and their dependants' healthcare and other financial needs)
4. Plan ahead and take steps to have sufficient income for life (including during retirement)

MoneySENSE initiatives cover the three tiers of financial literacy as follows:

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<sup>1</sup>CPFBoard is the administrator of the national pension fund scheme.

<sup>2</sup> PA is a grassroots organisation with broad outreach to the community.

<sup>3</sup> MoneySENSE industry partners include the Association of Banks in Singapore, Association of Financial Advisers (Singapore), Consumers Association of Singapore, Financial Planning Association of Singapore, General Insurance Association of Singapore, Insurance and Financial Practitioners Association of Singapore, Investment Management Association of Singapore, Life Insurance Association of Singapore and Singapore Exchange Ltd.

- Tier I - Basic Money Management: This covers skills in budgeting and saving, as well as responsible use of credit.
- Tier II - Financial Planning: This aims to equip Singaporeans with the skills and knowledge to plan for their long-term financial needs.
- Tier III - Investment Know-how: This aims to impart knowledge about different investment products and skills for investing.

The MoneySENSE Core Financial Capabilities Framework identifies five core financial capabilities. The capabilities aim to help individuals apply their knowledge and skills across the different tiers of financial literacy when making financial decisions.



The five core financial capabilities are:

1. **Understanding money** is about having the numeracy skills to evaluate the costs and benefits of options available. It is also about understanding how economic conditions can affect a person.
2. **Understanding yourself, your rights and responsibilities** is about knowing how personal circumstances, like how much a person earns, his or her age, the number of children he or she has, affect his or her financial decisions. It is also important to know your rights and responsibilities as a consumer of financial products and services.
3. **Managing everyday money** is about being able to budget, to live within one's means and to use credit facilities responsibly (e.g. for major items like buying a home).
4. **Planning ahead** is about being able to put together a financial plan to help one manage one's resources (e.g. income, debt, savings and investments) prudently.

5. **Selecting financial products** is about understanding the purpose, features, risks and costs of common financial products (e.g. debit and credit cards, loans, insurance, and investments), the key factors to consider and questions to ask before deciding whether to take up a product.

### **Reaching Consumers**

MoneySENSE employs a range of platforms to reach consumers. These include talks and workshops at workplaces conducted by the MoneySENSE-Singapore Polytechnic Institute for Financial Literacy; broad-based outreach using mass media such as info-ads, TV or radio; seminars and public talks including the My Money Seminars; and the MoneySENSE website and Facebook. Find out more about the [Institute for Financial Literacy](#), how you can [partner MoneySENSE](#) and current [News and Events](#).

We encourage schools to organise financial literacy games and workshops for their students. Many schools have done this by engaging vendors to deliver the programmes. Schools may also apply for co-funding from MoneySENSE to defray some of the costs. Find out more [here](#).