



## Hong Kong Financial Competency Framework

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## Why a Financial Competency Framework is needed

Improving everyone's financial literacy of people helps to empower individuals and their families to make informed financial decisions, contributing to financial well-being on both personal and societal levels.

A financial competency framework identifies a comprehensive set of knowledge, skills, attitudes, motivations and behaviours required to become financially literate. Different societies and people at different life stages require different financial competencies. It is widely recognised under international best practice that countries (e.g. Australia, Japan, New Zealand and UK) develop their own financial competency frameworks suited to their local needs. At present, no similar competency framework exists for Hong Kong.

## Uses for a Financial Competency Framework

Financial education is a process to help people achieve a desired level of financial literacy so that they can manage their personal finance. Education initiatives could be in the form of practical experience, peer learning, formal education, discussions or activities in the community.

A financial competency framework can be used by different organisations, such as government bodies, policy makers, financial institutions and education providers, who are interested in the provision of financial education. The benefits of such a framework include:

- Help to improve the clarity and visibility of financial literacy issues amongst the wider community.
- Increase awareness of the need for financial education in schools and the society.
- Provide a reference of the ideal status for financial literacy of the population, so that the potential gaps in current financial education provision can be identified and measured.
- Provides guidance for the development of consistent content, resources and communications. It can help to shape lesson plans, unit and course outlines, learning activities, community programmes, textbooks, and other instructional materials.

- Provide guidelines for evaluating financial educational initiatives.

A financial competency framework presents the ideal financial competencies for a person at different life stages. It is up to the various organisations to decide how to address the elements in a competency framework. It is not a curriculum and does not prescribe any particular approaches to financial education.

However, after reading a financial competency framework, organisations may select themes or elements that are appropriate to the needs of the learners in a specific setting. They can use the financial competency framework to design new personal finance units or courses, or to integrate concepts into existing initiatives.

## How the Hong Kong Financial Competency Framework is being developed

The Investor Education Centre (IEC) has appointed a research team from the Hong Kong Institute of Education to develop the Hong Kong Financial Competency Framework (FCF).

A working group, consisting of financial education providers, academics and school educators, has provided advice and feedback on the development of the FCF.

In order that the FCF can be fit for use and widely adopted in Hong Kong, views from the public are being sought in a consultation process. Detail of the consultation can be found on [www.hkiec.hk/fcf](http://www.hkiec.hk/fcf).

In addition to the FCF, there will be a curriculum mapping to identify the financial elements that are already present in the Hong Kong school curricula, and to give examples of existing financial education initiatives to demonstrate how the FCF can be used in practice.

The first version of FCF will be released by November 2015, however, it is essential that the FCF be updated to ensure its continued relevance and reflect the changes within Hong Kong society.

## Structure

The structure of the FCF will be:

- Applicable to school children in primary and secondary education, and adults of all academic levels and social status.
- Progressive with an emphasis on outcome based learning; competencies exhibited at a particular stage should also encompass the outcomes from previous learning stages.
- Practical, taking into account the needs of children and adults in the context of the society of Hong Kong.

Because of limited experience and responsibility, a typical senior secondary school graduate will not exhibit the same degree of knowledge of personal finance as a financially literate adult. Financially literate secondary school graduates, however, should have a general understanding of all key themes of personal finance. They will be confident to find and use the information required to meet specific personal financial decisions as they go into adulthood.

Hence, the FCF is divided into two parts: 'Financial Competency Framework - School Children' and 'Financial Competency Framework - Adults', but still has common components and a progression.

Progressive learning in the FCF for children is described in the four learning key stages (**KS1 – Primary 1 to 3, KS2 – Primary 4 to 6, KS3 – Secondary 1 to 3 and KS4 – Secondary 4 to 6**). It represents what a child should know and be able to demonstrate at the end of each key stage, but not necessarily what should be taught at that key stage.

The FCF for adult is arranged into two levels; **Core** and **Extended**. The Core level describes the basic competencies which an adult should possess, while the "Extended" level contains elements that an adult may need depending on their own circumstances. The ideal competencies for an adult would include not only those outlined in the FCF for adults but also those from the FCF for children.

## Key components

There are four interrelated components to one's financial competency:

- (1) **Knowledge and skills** refer to an acquisition of fundamental concepts and practical skills that are building from easy to complex, general to specific, for present or future use. There are seven learning themes:

**Money & banking (MB):** The nature of money and how the banking system handles it.

**Income & taxation (IT):** Earning money and our obligation to society.

**Saving & investing (SI):** Building and creating wealth for financial goals.

**Spending & credit (SC):** Using money that we have and do not have.

**Consumer rights & responsibilities (CR):** Working with the protection system.

**Financial planning (FP):** Planning for how we use money in the future.

**Protection & risk (PR):** Managing possible financial losses.

- (2) **Attitudes** refer to the thoughts, beliefs, feelings, manners and tendencies towards behaviour or ideas.
- (3) **Motivations** refer to the incentives of a person to act in a certain way or at least develop an inclination for a specific behaviour.
- (4) **Behaviours** are the ultimate outcomes that a person actively do as it directly impacts one's financial well-being.

## **How to read the Hong Kong Financial Competency Framework**

The documentation consists of the '**Financial Competency Framework - School Children**' table and '**Financial Competency Framework – Adults**' table, and '**Explanatory Notes**'.

It is recommended that the cells within the FCF tables should be read both horizontally (by themes) and vertically (by stages) to gain an understanding of how the elements of each theme are built and the range of content in each individual stage respectively. Description and/or examples of each element are available in the explanatory note.

Many elements within the FCF for children are also present in the curriculum of different school subjects. A mapping (being developed) will be available to help identify what elements within the FCF are already covered in those subjects.

Appendix 1: FINANCIAL COMPETENCY FRAMEWORK – SCHOOL CHILDREN

Progressive competence elements for each key stage

		KS1 (P1-P3) age 6-8	KS2 (P4-P6) age 9-11	KS3 (S1-S3) age 12-14	KS4 (S4-S6) age 15-17
Knowledge and Skills	Money & banking (MB)	MB1. Recognise coins and notes of Hong Kong MB2. Count coins and notes accurately MB3. Recognise the functions and value of money	MB4. Recognise different common forms of money in Hong Kong and how they can be used as methods of payment MB5. Pay for goods and services by coins and notes, and calculate the correct change (cash settlement) MB6. Pay for goods and services by non-cash means	MB7. Understand the roles of banks, different types of bank accounts and the banking system in Hong Kong	MB8. Identify other services provided by banks and financial institutions in Hong Kong MB9. Understand e-banking services MB10. Understand the associated costs with different methods of payment MB11. Recognise why there are different currencies and exchange rates
	Income & taxation (IT)	IT1. Describe personal income sources for different people IT2. Recognise different forms and sources of income	IT3. Explore why people have different income and why it may change at different times	IT4. Understand government public finance IT5. Recognise the basic legislation concerning employment	IT6. List different ways of financial compensation for employment IT7. Recognise the differences between gross and net salary/income IT8. Explain how education/training affects career choices and in turn may affect income IT9. Describe the nature and use of taxation IT10. Identify factors affecting career choices and life planning
	Saving & investing (SI)	SI1. Recognise the need for saving money SI2. Describe different ways to save money	SI3. Understand interest rates for saving money in bank	SI4. Explain and calculate simple and compound interest SI5. Describe the nature and features of investment as a method for saving	SI6. Describe some common types of saving and investment choices SI7. Understand the basic concepts of risk and returns SI8. List the possible risks and returns of different financial products
	Spending & credit (SC)	SC1. Differentiate between needs and wants. SC2. List and prioritise spending preferences with reasoning SC3. Understand the responsibilities of a borrower	SC4. Understand the value and price of a product/service SC5. Understand the pros and cons of buying from different channels (including online shopping) SC6. Calculate discount provided SC7. Explain why people may need to borrow money SC8. Explain why people give money, time and effort	SC9. Identify different sources of borrowing and the associated cost SC10. Have a realistic idea of prices of most consumable items	SC11. List factors that may affect the change in prices SC12. Understand different types of lending for different situations SC13. Understand how a credit card works SC14. Calculate and explain interest charged by banks and other financial institutions SC15. Differentiate what is 'good' and 'bad' debt, and the consequences of 'bad' debt
	Consumer rights & responsibilities (CR)		CR1. Understand what is a responsible consumer and reasons for consumer protection CR2. Understand the basic rights of a consumer	CR3. Recognise the financial consequences of 'free' offering CR4. Understand basic regulations for protecting consumer rights	CR5. Understand the basic rights and responsibilities of buyers of financial products in Hong Kong CR6. Understand the role of different financial institutions and financial regulators in Hong Kong CR7. Understand financial market functions, services and operations in Hong Kong
	Financial planning (FP)	FP1. Can identify short-, medium- and long-term financial goals	FP2. Develop financial plan to achieve a short-term personal goal FP3. Understand the function of budgeting and allocate money for different uses	FP4. Understand how to develop a long-term financial goal FP5. Understand how to link financial plans to budgets FP6. Can plan ahead of expected personal expenses in the near future	FP7. Understand how financial planning can help to attain life goals FP8. Describe the need for retirement planning and the MPF system
	Protection & risks (PR)	PR1. Can identify ways for protecting personal assets	PR2. Identify situations that may result in a financial loss for individuals PR3. Identify the potential risks of on-line shopping	PR4. Understand common potential financial fraudulent situations/scams PR5. Understand how savings can create protection	PR6. Describe potential risks of using e-banking services PR7. Understand financial risk arising from poor credit record PR8. Understand basic functions of insurance
Attitudes (A)	A1. Conscious about spending within one's income A2. One cannot have everything as one only has a limited amount of money A3. A belief that one need to seek a trustworthy source of advice if one has a financial issue A4. Prepare to delay gratification to gain more in the future	A5. Withstand the influence of peer pressure and advertising on spending A6. Money plays an important part of our life but it is not the only source to happiness	A7. A belief that learning more about finance can help make better financial decisions A8. Understand that it's cheaper "to save to spend" than "to borrow to spend" A9. Be responsible to managing one's own cash A10. Recognise all investments carry a risk of losing value	A11. Money needs to be actively managed A12. Responsible to plan for one's own future A13. Interested in learning more about daily financial matters A14. Recognise higher return investments will carry a higher risk of losing value A15. Appreciate the value of financial advice	
Motivations (M)	M1. Has an aspiration to improve one's life	M2. Be aware that saving now is a way to be able to spend in the future M3. Being diligent can achieving ones goals for future betterment	M4. Visualise being more able to meet the financial needs at different life stages M5. Planning early can generate more options for ones goals	M6. A belief that a sensible financial plan can help achieve one's career and life plan	
Behaviours (B)	B1. Save regularly B2. Talk honestly about money with family B3. Spend less one's cash available B4. Protect personal belongings	B5. Borrow money only if one has the ability to repay back B6. Resist desires and control temptations when shopping B7. Comparison products and prices and select the best purchase option B8. Set short-term financial goals B9. Allocate money to meet various financial goals B10. Keep track of weekly spending	B11. Minimise spending where possible B12. Read and understand terms and conditions before deciding to purchase B13. Repay borrowings as promised B14. Select the appropriate methods of payment for goods and services B15. Review financial goals and budgets regularly B16. Use electronic tools to create a personal budget	B17. Explore ones family expenses B18. Avoid impulsive purchases B19. Raise personal financial issues and seek help B20. Make a life plan with a consideration of financial implications B21. Choose a career path with consideration of financial implications	

Appendix 2: FINANCIAL COMPETENCY FRAMEWORK – ADULTS

Competence elements building on top of the student

	Knowledge and Skills - Core	Knowledge and Skills - Extended	Attitudes (A)	Motivations (M)	Behaviours (B)
Money & banking (MB)	MB12. Understand the possible factors affecting exchange rate fluctuations MB13. Can identify the factors and calculate the change in value of money due inflation	MB14. Understand different methods of transferring money	<ul style="list-style-type: none"> <li>Conscious about spending within one's means</li> <li>Appreciates the value of financial advice</li> <li>A belief that higher return investments carry a higher risk of losing value (as same as student part)</li> </ul>	M7. Motivated to identify options to increase personal income M8. Visualise the benefits of sensible investment in growing one's savings in the long run M9. Feel secure when a plan is in place to achieve one's career development and life goal M10. Increase income and savings throughout one's life can meet changing personal and household expenses M11. More able to achieve financial well-being through active personal financial management M12. Motivated to acquire knowledge and skills to improve financial decision making M13. Feel safe with sufficient money reserve for unexpected contingencies M14. Motivated to seek public financial support when needed	
Income & taxation (IT)	IT11. Understand the income tax system of Hong Kong IT12. Understand the public financial support available to Hong Kong citizens	IT13. Monitor and reduce tax through tax planning IT14. Understand the financial products that can create cash flow			
Saving & investing (SI)	SI9. Identify factors affecting saving SI10. Understand basic concepts for personal investments SI11. Understand the factors that affect one's risk tolerance and investment objective SI12. Understand the fees, feature and risks of common investment products available to retail investors in Hong Kong SI13. Identify the major factors affecting risks and returns of different financial products SI14. Can compare different financial products and choose the product(s) to suit one's needs	SI15. Understand the consequence of investing in leveraged financial products SI16. Understand derivative products and identify risks involved SI17. Basic understanding of behavioural economics SI18. Recognise the determinants in selecting a residential property for one's own use or as an investment	A16. Resist purchasing temptations, greed and control desires A17. A belief that one has the responsibility to actively managed one's future and wealth A18. A belief that there is a need to persistently monitor personal financial status in a systematic and healthy manner A19. A belief that borrowing should be avoided and debt should be minimised A20. Rational when making financial choices A21. Critical and cautions when purchasing financial products A22. A belief that there are ways to reduce the financial impact of some unexpected events	M10. Increase income and savings throughout one's life can meet changing personal and household expenses M11. More able to achieve financial well-being through active personal financial management M12. Motivated to acquire knowledge and skills to improve financial decision making M13. Feel safe with sufficient money reserve for unexpected contingencies M14. Motivated to seek public financial support when needed	B4. Select investment appropriate to one's risk tolerance and investment objectives, and review them regularly B5. Ask appropriate questions and gather suitable information for assessment before making an investment decision B6. Calculate and evaluate the real return of saving and investment before selecting a product B7. Select investments based on factual analysis rather than speculation B8. Diversify one's investments
Spending & credit (SC)	SC16. Identify methods to save money when purchasing SC17. Understand the implication of personal credit score to the cost of borrowing and availability of loan SC18. Understand what is Annual Percentage Rate (APR) SC19. Understand different types of borrowing and the cost involved SC20. Understand the consequences of not meeting financial/payment obligations on time SC21. Differentiate manageable, planned debt with unmanageable, unplanned debt	SC22. Understand the appropriate actions to take when one has difficulties in repaying debt			B9. Minimise spending and spend within one's budget B10. Meet financial/payment obligations on time B11. Compare the cost of borrowing from different lenders and select the most appropriate types of loan for the situation
Consumer rights & responsibilities (CR)	CR8. Understand, analyse and compare different information sources CR9. Understand the services that financial intermediaries can offer and how they are regulated CR10. Understand the rights and responsibilities in relation to different financial products	CR11. Understand the complaint and redress procedures available to a financial consumer			B12. Evaluate the credibility of different sources of consumer information before making a financial decision B13. Read, check and interpret personal financial documents on a regular basis B14. Check the credentials of a financial product before purchasing B15. Follow the correct sales procedure when buying/using a financial product/service B16. Seek a trustworthy source of professional financial advice if in doubt B17. Check the credentials of intermediaries before engaging them
Financial planning (FP)	FP9. Can differentiate recurring and one-off expenses FP10. Understand the Financial Planning pyramid concept FP11. Can develop financial plans to achieve long-term personal goal FP12. Identify and explain how changes in one's life has an effect on financial situation FP13. Understand the challenges of retirement FP14. Clarify the desired lifestyle during one's retirement and calculate the living costs for it FP15. Understands ORSO/MPF investing and how to choose investment funds				B18. Calculate one's personal wealth (net worth) regularly B19. Use electronic tools to track income/spending and set/review on a regular basis B20. Set, monitor and revise a budget to reflect changing circumstances B21. Identify, set and regularly review realistic long-term financial goals for major life events B22. Carry out a retirement plan including MPF/ORSO investment
Protection & risks (PR)	PR9. Understand how different unexpected events and potential financial risks can lead to financial losses PR10. Compare different types of insurance needed in different situations PR11. Describe the purpose and main features of Deposit Protection Scheme PR12. Understand how employee benefits can offer protection PR13. Understand the main types of financial fraud/scams and ways to protect oneself from it	PR14. Understand the process of preparing a Will and Enduring Powers of Attorney PR15. Describe and explain the impact(s) of internal and external factors on creating and protecting assets and wealth.			B23. Maintain sufficient money reserve for unexpected contingencies B24. Use insurance to transfer risk in order to minimise the impacts of financial losses B25. Make arrangements when one cannot manage their own finances

■ Important attitudes from the Financial Competency Framework – School Children

### Appendix 3: Explanatory Notes

	Stage	Competence Elements	Explanatory Notes
Money and banking (MB)	KS1	MB1. Recognise coins and notes of Hong Kong	<ul style="list-style-type: none"> <li>Understand the denominations of coins and notes issued in Hong Kong</li> <li>There are different note issuing banks but the values are the same</li> </ul>
		MB2. Count coins and notes accurately	<ul style="list-style-type: none"> <li>Count and calculate the sum with different combinations of notes and coins accurately</li> </ul>
		MB3. Recognise the functions and value of money	<ul style="list-style-type: none"> <li>Functions of money: medium of exchange, unit of account, store of value, standard of deferred payments</li> </ul>
	KS2	MB4. Recognise different common forms of money in Hong Kong and how they can be used as methods of payment	<ul style="list-style-type: none"> <li>Examples: Metallic/paper (cash), credit money (credit cards), smartcard (Octopus), and other electronic form of money (EPS)</li> </ul>
		MB5. Pay for goods and services by coins and notes, and calculate the correct change (cash settlement)	<ul style="list-style-type: none"> <li>Pay by cash and calculate the change accurately</li> </ul>
	KS3	MB6. Pay for goods and services by non-cash means	<ul style="list-style-type: none"> <li>Examples: pay by barter, Octopus, Payment by Phone Services (PPS), cheque, bank transfer, credit card, EPS, etc.</li> </ul>
		MB7. Understand the roles of banks and different types of bank accounts and the banking system	<ul style="list-style-type: none"> <li>Main personal banking services provided by banks: deposits, and loan services (including loans through credit cards, personal loans, hire purchases and mortgages).</li> <li>Examples: current account, savings account, time deposit account and foreign currency account, etc.</li> </ul>
	KS4	MB8. Identify other services provided by banks and financial institutions in Hong Kong	<ul style="list-style-type: none"> <li>Economic functions of stock market, including the benefits to companies, investors and the economy</li> <li>Other personal banking services provided by banks: wealth management includes insurance, stock trading and other investments</li> <li>Examples of other services: trade financing services, electronic banking services, investment services, etc.</li> </ul>
		MB9. Understand e-banking services	<ul style="list-style-type: none"> <li>Examples of e-banking services: telephone banking, online banking, mobile banking, interactive-TV banking, ATM</li> <li>Examples: attaining information about accounts and loans, conducting money transfer, paying credit cards, bills and loans, buying and selling stocks and bonds, etc.</li> </ul>
		MB10. Understand the associated costs with different methods of payment	<ul style="list-style-type: none"> <li>Examples: Interests charge, handling charges, transaction fees, administration fee etc.</li> </ul>
		MB11. Recognise why there are different currencies and exchange rates	<ul style="list-style-type: none"> <li>Example: Using RMB when visiting relatives in Mainland China, GBP or AUD for study tour and overseas study, JPY or TWN for going on holiday</li> <li>Fixed exchange rate systems, linked exchange rate system in Hong Kong to USD</li> <li>Converting HKD to USD and other different currencies</li> </ul>

Adult Core	MB12. Understand the possible factors affecting exchange rate fluctuations	<ul style="list-style-type: none"> <li>Appreciation and depreciation, revaluation and devaluation, Monetary Policy, economic growth, interest rates</li> </ul>	
	MB13. Can identify factors and calculate the change in value of money due to inflation	<ul style="list-style-type: none"> <li>The value of an amount of money at a particular point of time</li> <li>Calculate the present and future value of money by discounting and compounding</li> <li>Example: How much is HK\$10,000 worth in 10 years' time if inflation is 2% per year</li> <li>Factors affecting the value of money: inflation, deflation, time, politics, economy, etc.</li> </ul>	
Adults Extended	MB14. Understand different methods of transferring money	<ul style="list-style-type: none"> <li>Examples: cheque, bank transfer, bank draft, TT, etc.</li> </ul>	
Income and taxation (IT)	KS1	IT1. Describe personal income sources for different people	<ul style="list-style-type: none"> <li>Examples: pocket money, <i>Lai See</i> (red pocket money), scholarship and bursaries, part-time and full-time job pay, investments (interests and dividends), etc.</li> </ul>
		IT2. Recognise different forms and sources of income	<ul style="list-style-type: none"> <li>Regular sources of income, e.g. employment (wages and salaries), entrepreneur (profits), investments (interests), social welfare (allowances), etc.</li> <li>Irregular sources of income, e.g. bonus, gifts, prizes, coupons (soft money), dividends, etc.</li> </ul>
	KS2	IT3. Explore why people have different income and why it may change at different times	<ul style="list-style-type: none"> <li>Examples: job nature, working hours, working experience, education and professional qualifications, etc.</li> </ul>
	KS3	IT4. Understand government public finance	<ul style="list-style-type: none"> <li>The relationship between government and citizens in terms of public finance; provision of public services such as policing, roads, hospitals, social services and funding from taxes</li> <li>Examples: government income and expenditure</li> </ul>
		IT5. Recognise the basic legislation concerning employment	<ul style="list-style-type: none"> <li>Minimum Wage Ordinance, Employment Ordinance, Employees' Compensation Ordinance, labour contracts, etc.</li> </ul>
	KS4	IT6. List different ways of financial compensation for employment	<ul style="list-style-type: none"> <li>Examples: paid and unpaid work, salaries, bonuses, share options, commodities, allowances, etc.</li> </ul>
		IT7. Recognise the differences between gross and net salary/income	<ul style="list-style-type: none"> <li>Deduction of taxes, pensions, ORSO, Mandatory Provident Fund (MPF), etc.</li> </ul>
		IT8. Explain how education/training affects career choices and in turn may affect income	<ul style="list-style-type: none"> <li>List out the qualification requirement and salaries of different occupations</li> <li>Example: Bus driver, construction worker, accountant</li> </ul>
		IT9. Describe the nature and use of taxation	<ul style="list-style-type: none"> <li>Examples: collect taxes to support public expenditure, allowances, subsidies, social security schemes, etc.</li> <li>Examples of taxes: salaries tax, profits tax, property tax, stamp duties, rates, etc.</li> </ul>
		IT10. Identify factors affecting career choices and life planning	<ul style="list-style-type: none"> <li>Examples: competencies, wage level, personal interest, financial and life goals, opportunities, family constraints etc.</li> </ul>
	Adults Core	IT11. Understand the income tax system in Hong Kong	<ul style="list-style-type: none"> <li>Examples of income tax system: tax rates of salaries tax, allowance and deductions, assessable income, standard rate, annual income levels, filing tax returns, etc.</li> </ul>
		IT12. Understand the public financial support available to Hong Kong citizens	<ul style="list-style-type: none"> <li>Examples: students' grants and loans, welfare subsidies, old age allowance, CSSA etc.</li> </ul>

	Adults Extended	IT13. Monitor and reduce tax through tax planning	<ul style="list-style-type: none"> <li>Examples: Personal assessment, make use of tax deductible expenditure to reduce tax such as charitable donations, deductions against rental income etc.</li> </ul>
		IT14. Understand the financial products that can create cash flow	<ul style="list-style-type: none"> <li>Examples: reverse mortgage and annuities, etc.</li> <li>Basics for reverse mortgage: key features, key parties, eligibility criteria, calculation of monthly pay out amount, accumulation and distribution phases, costs, etc.</li> </ul>
Saving and investing (SI)	KS1	SI1. Recognise the need for saving money	<ul style="list-style-type: none"> <li>Delaying gratification for future use, prepare for contingency, etc.</li> </ul>
		SI2. Describe different ways to save money	<ul style="list-style-type: none"> <li>Examples: parents, piggy bank, deposit in bank accounts</li> </ul>
	KS2	SI3. Understand interest rates for saving money in bank	<ul style="list-style-type: none"> <li>Interest is paid by banks for deposits, more cash from the deposit</li> </ul>
		SI4. Explain and calculate simple and compound interest	<ul style="list-style-type: none"> <li>Example: Borrowing through credit cards as an example, illustrate the differences between simple and compound interest and capital growth from a long term (20 years) deposit in a bank</li> </ul>
	KS3	SI5. Describe the nature and features of investment as a method of saving	<ul style="list-style-type: none"> <li>Differentiate among investment, speculation and gambling; long-term, medium-term and short-term; as earning and as value-added</li> </ul>
	KS4	SI6. Describe some common types of saving and investment choices	<ul style="list-style-type: none"> <li>Returns from capital appreciation and interest</li> <li>Examples: time deposits, forex, stocks and shares, bonds/iBonds/RMB bonds, etc.</li> </ul>
		SI7. Understand basic concepts of risk and returns	<ul style="list-style-type: none"> <li>The relationship between risk and return (risk and return levels of different investment products)</li> <li>Risk and return trade-off</li> <li>Risk management: Diversification, do not put all eggs into one basket</li> </ul>
		SI8. List the possible risks and returns of different financial products	<ul style="list-style-type: none"> <li>Examples: Bonds Vs securities, Global market investment VS China focus investment</li> <li>Currency,</li> </ul>
	Adults core	SI9. Identify factors affecting saving	<ul style="list-style-type: none"> <li>Examples: income level, interest rates, living cost, life changes (e.g. marriage, parenting and retirement) etc.</li> </ul>
		SI10. Understand basic concepts for personal investments	<ul style="list-style-type: none"> <li>Dollar cost averaging, compounding effect, diversification, portfolios management, risks management, rebalancing, cut loss etc.</li> <li>Fundamental analysis: Ratio analysis, earnings potential, horizontal analysis, vertical analysis,</li> </ul>
		SI11. Understand the factors that affect one's risk tolerance and investment objective	<ul style="list-style-type: none"> <li>Examples: investment experience and knowledge, stage in the investment life cycle, age, investment horizon, liquidity requirements, financial resources</li> </ul>
		SI12. Understand the fees, feature and risks of common investment products available to retail investors in Hong Kong	<ul style="list-style-type: none"> <li>Example: Risks involved, risk level, service charges, fees, buying/selling restrictions etc.</li> </ul>
		SI13. Identify the major factors affecting risks and returns of different financial products	<ul style="list-style-type: none"> <li>Examples: time, amount invested, interest and exchange rates, investment period, terms and conditions, etc.</li> </ul>
		SI14. Can compare different financial products and choose the product(s) to suit one's needs	<ul style="list-style-type: none"> <li>Matching risk level of a financial product to the investment objectives and risk tolerance</li> </ul>

Spending and credit (SC)	Adults Extended	SI15. Understand the consequence of investing in leveraged financial products	<ul style="list-style-type: none"> <li>• Example of gains and losses from margin investment</li> <li>• Risk of margin call</li> </ul>
		SI16. Understand derivative products and identify risks involved	<ul style="list-style-type: none"> <li>• Examples: stocks, debentures, commodities, properties, warrants, endowment insurance, margin, future contract, callable Bull/Bear contracts, option, etc.</li> </ul>
		SI17. Basic understanding of behavioural economics	<ul style="list-style-type: none"> <li>• Examples: understanding behavioural biases and effects in financial markets (e.g. lost aversion, mental accounting, framing, anchoring, overconfidence, herding)</li> </ul>
		SI18. Recognise the determinants in selecting a residential property for one's own use or as an investment	<ul style="list-style-type: none"> <li>• Example: personal income, location, size, mortgage interest rate, age of property, rental income, maintenance etc.</li> </ul>
	KS1	SC1. Differentiate between needs and wants	<ul style="list-style-type: none"> <li>• Needs - you have to have, necessary for survival, e.g. water and daily food</li> <li>• Wants - you would like to have, not absolutely necessary e.g. soft drinks and snacks</li> </ul>
		SC2. List and prioritise spending preferences with reasoning	<ul style="list-style-type: none"> <li>• According to needs and wants, or other reasonable factor(s)</li> </ul>
		SC3. Understand the responsibilities of a borrower	<ul style="list-style-type: none"> <li>• Examples: make clear loan terms with lender, take good care of the item, return borrowed item to lender as promised.</li> </ul>
	KS2	SC4. Understand the value and price of a product/service	<ul style="list-style-type: none"> <li>• Why similar products/service cost different</li> <li>• Examples of value: quality, services included, special features/design, other cost involved, brand, warranty etc.</li> </ul>
		SC5. Understand the pros and cons of buying from different channels (including online shopping)	<ul style="list-style-type: none"> <li>• Examples of purchasing channels: street shopping, department stores, outlets, online shopping, group purchase, online auction, etc.</li> <li>• Examples: flexible options, making choices, group purchase, costs, payments, consumer protection etc.</li> </ul>
		SC6. Calculate discount provided	<ul style="list-style-type: none"> <li>• Examples: cash discounts, quantity discounts, bulk discounts, buy-get-one-free, percentage discount etc.</li> </ul>
		SC7. Explain why people may need to borrow money	<ul style="list-style-type: none"> <li>• Examples: buy large ticket items (property), emergencies (accident), business etc.</li> </ul>
		SC8. Explain why people give money, time and effort	<ul style="list-style-type: none"> <li>• Examples: having a sense of wellbeing, supporting social justice, empathy, strengthening spiritual life, resulting in physical and social benefits, etc.</li> </ul>
	KS3	SC9. Identify different sources of borrowing and the associated cost	<ul style="list-style-type: none"> <li>• Examples of sources of borrowing: friends, family, government, financial institutions etc.</li> <li>• Associated costs: interest of credit, service charge(s), etc.</li> </ul>
SC10. Have a realistic idea of prices of most consumable items		<ul style="list-style-type: none"> <li>• Examples of most consumable items: 5kg of rice, small flat, new small family car, university tuition fee etc.</li> </ul>	
KS4	SC11. List factors that may affect the change in prices	<ul style="list-style-type: none"> <li>• Examples: demand and supply, government policy, exchange rate, weather, inflation etc.</li> </ul>	
	SC12. Understand different types of lending for different situations	<ul style="list-style-type: none"> <li>• Examples: student loan, car, mortgage</li> <li>• Examples: criteria and procedure for loan application</li> </ul>	
	SC13. Understand how a credit card works	<ul style="list-style-type: none"> <li>• Interest free period, minimum payment, payment due date, credit limit, interest rate, cash advances etc.</li> </ul>	

Adults Core		SC14. Calculate and explain interest charged by banks and other financial institutions	<ul style="list-style-type: none"> <li>Use calculation tools (including common online calculators) or formula to perform calculation, in relation to amount borrowed, interest rate, time and risk</li> </ul>	
		SC15. Differentiate what is “good” and “bad” debt, and the consequences of “bad” debt	<ul style="list-style-type: none"> <li>Planned debt that can be services vs uncontrolled debt</li> <li>Bad debt leading to loss of collateral, bad record, stress, bankruptcy, affecting careers</li> </ul>	
		SC16. Identify methods to save money when purchasing	<ul style="list-style-type: none"> <li>Examples: bargaining, discounts (out of season, discontinued items), rebates, premium items, bundle sales, bulk purchase, group purchase, online purchase, etc.</li> </ul>	
		SC17. Understand the implication of personal credit score to the cost of borrowing and availability of loan	<ul style="list-style-type: none"> <li>Factors affect credit scores</li> <li>Credit worthiness and the cost of credit</li> </ul>	
		SC18. Understand what is Annual Percentage Rate (APR)	<ul style="list-style-type: none"> <li>The <i>nominal APR</i> is the simple-interest rate (for a year)</li> <li>The <i>effective APR</i> is the fees plus compound interest rate (calculated across a year)</li> </ul>	
		SC19. Understand the different types of borrowing and the cost involved	<ul style="list-style-type: none"> <li>Examples of interest rates for: purchase using credit cards, cash advance with credit card, personal loan, mortgages</li> <li>Examples of borrowing cost: interest on unpaid balance, late fees or penalties, bank charges, annual fees</li> </ul>	
		SC20. Understand the consequences of not meeting financial/payment obligations on time	<ul style="list-style-type: none"> <li>Examples: interest on unpaid balance, late fees or penalties, bank charges, weaken credit status and history, and even the consequence of bankruptcy</li> </ul>	
		SC21. Differentiate manageable, planned debt with unmanageable, unplanned debt	<ul style="list-style-type: none"> <li>Manageable debts (monthly expenses + monthly debt payments &lt; monthly net income)</li> <li>Unmanageable debts (monthly expenses + monthly debt payments &gt; monthly net income)</li> </ul>	
	Adults Extended		SC22. Understand the appropriate actions to take when one has difficulties in repaying debt	<ul style="list-style-type: none"> <li>Reduce expenses, pay off high interest debt first, seek advice, contact lender, financial restructuring, Individual Voluntary Arrangement, bankruptcy etc.</li> </ul>
	Consumer rights and responsibilities (CR)	KS2	CR1. Understand what is a responsible consumer and reasons for consumer protection	<ul style="list-style-type: none"> <li>Individual responsibilities e.g. be informed, make decision cautiously, consider consequence, etc.</li> <li>Social responsibilities e.g. 5R: Reduce, Reuse, Recycle, Re-evaluate, Rescue, etc.</li> <li>Reasons for consumer protection: e.g. bad practice of sellers, incorrect and misleading claims, health and safety issues, etc.</li> </ul>
CR2. Understand the basic rights of a consumer			<ul style="list-style-type: none"> <li>Examples: ensure products’ quality and safety, against different transaction problems, etc.</li> </ul>	
KS3		CR3. Recognise the financial consequences of ‘free’ offering	<ul style="list-style-type: none"> <li>Examples of free offering: trial offering, free gifts, free download, etc.</li> <li>Examples of consequences: fees and charges may be involved, other products or services may be required to pay afterward, etc.</li> </ul>	
		CR4. Understand basic regulations for protecting consumer rights	<ul style="list-style-type: none"> <li>Safe good, correct information regarding the products, choice of wide variety of goods, complaint to be heard, educated about the rights etc.</li> <li>Role of the Consumer Council</li> </ul>	

	KS4	CR5. Understand the basic rights and responsibilities of buyers of financial products in Hong Kong	<ul style="list-style-type: none"> <li>• Rights of consumers of financial services: Product disclosure, high standard of intermediaries, effective market infrastructure &amp; trading, safeguarded in listings &amp; takeovers, etc.</li> <li>• Responsibilities of consumers of financial services: Understand basic investment concepts, understand the features, risk and return characteristics of the investment products, making decisions based on facts, do not committing money beyond their means, do not sign blank forms etc.</li> </ul>
		CR6. Understand the role of different financial institutions and financial regulators in Hong Kong	<ul style="list-style-type: none"> <li>• Financial institution – the relationship between banks, insurers, securities or investment firms, stock market, brokers</li> <li>• The financial regulators; Securities and Futures Commission (SFC), Hong Kong Monetary Authority (HKMA), Office of the Commissioner of Insurance (OCI), Mandatory Provident Fund Authority (MPFA)</li> </ul>
		CR7. Understand major financial market functions, services and operations in Hong Kong	<ul style="list-style-type: none"> <li>• Examples: operation of stock exchange, Hong Kong Futures Exchange Limited, stock index</li> </ul>
Adults Core		CR8. Understand, analyse and compare different financial information sources	<ul style="list-style-type: none"> <li>• Examples of information sources: agents of financial products, professionals, mass media, rumour, etc.</li> <li>• Examples of information: factual consumer information, advice, forecast / options, marketing information etc.</li> </ul>
		CR9. Understand the service that financial intermediaries can offer and how they are regulated	<ul style="list-style-type: none"> <li>• Examples of financial intermediaries: insurance agent, insurance broker, banks, deposition-taking companies, securities broker, etc.</li> <li>• Which financial regulator regulates what type of financial activity</li> </ul>
		CR10. Understand the rights and responsibilities in relation to different financial products	<ul style="list-style-type: none"> <li>• Which financial regulator regulates what type of financial activity</li> <li>• Example: Credit cards-HKMA, funds-SFC, life insurance-OCI</li> </ul>
Adults Extended		CR11. Understand the complaint and redress procedures available to a financial consumer	<ul style="list-style-type: none"> <li>• Complaint officer in the intermediary, industry bodies, regulators, FDRC</li> </ul>
Financial planning (FP)	KS1	FP1. Can identify short-, medium- and long-term financial goals	<ul style="list-style-type: none"> <li>• Examples: Buying more expensive snacks (short-term), buying a present for a family member (medium-term) and buying a property (long-term)</li> </ul>
	KS2	FP2. Develop financial plan to achieve a short-term personal goal	<ul style="list-style-type: none"> <li>• Examples: Saving money to achieve the pre-set goals such as buying toys, donations and etc.</li> </ul>
		FP3. Understand the function of budgeting and allocate money for different uses	<ul style="list-style-type: none"> <li>• Allocation of money for different uses, including consumption, savings and donations</li> <li>• Example: Allocate weekly pocket money for different uses</li> </ul>
	KS3	FP4. Understand how to develop a long-term financial goal	<ul style="list-style-type: none"> <li>• SMART goal</li> <li>• Example: How to plan for a retirement fund starting from a young age</li> </ul>
		FP5. Understand how to link financial plans to budgets	<ul style="list-style-type: none"> <li>• Allocate money in budget to finance goals</li> </ul>
		FP6. Can plan ahead of expected personal expenses in the near future	<ul style="list-style-type: none"> <li>• Examples: Expense for a field trip, buying a present for a birthday party</li> </ul>

Protection and risk (PR)	KS4	FP7. Understand how financial planning can help to attain life goals	<ul style="list-style-type: none"> <li>Examples: saving for tertiary study, travelling, retirement etc.</li> </ul>
		FP8. Describe the need for retirement planning and the MPF system	<ul style="list-style-type: none"> <li>Retirement planning – no income but continuing expenses</li> <li>The basic concept of the MPF system and how it contributes to one's retirement fund</li> </ul>
	Adults Core	FP9. Can differentiate recurring and one-off expenses	<ul style="list-style-type: none"> <li>Examples of recurring costs: insurance premium, electricity bill, mortgage payment etc.</li> <li>Examples of non-recurring costs: holidays, electrical items</li> </ul>
		FP10. Understand the Financial Planning pyramid concept	<ul style="list-style-type: none"> <li>Protection and security, wealth accumulation, wealth distribution, etc.</li> </ul>
		FP11. Can develop financial plans to achieve long-term personal goal	<ul style="list-style-type: none"> <li>Examples: saving for further study, travelling, marriage, buying a flat, better material life, retirement (+MPF), etc.</li> </ul>
		FP12. Identify and explain how changes in one's life has an effect on financial situation	<ul style="list-style-type: none"> <li>Examples: being unemployed, getting married, parenting, etc.</li> </ul>
		FP13. Understand the challenges of retirement	<ul style="list-style-type: none"> <li>Examples: reduction of money inflow, longevity, health, inflation, etc.</li> </ul>
		FP14. Clarify the desired lifestyle during one's retirement and calculate the living costs for it	<ul style="list-style-type: none"> <li>Compared to current standard, accommodation, private/public health system, leisure activities etc.</li> </ul>
		FP15. Understand Occupational Retirement Schemes Ordinance (ORSO) / MPF investing and how to choose investment funds	
	KS1	PR1. Can identify ways for protecting personal assets	<ul style="list-style-type: none"> <li>Examples: keep cash in a wallet/purse, put away stationary, use name tag, locker and safe to keep personal assets well, etc.</li> </ul>
	KS2	PR2. Identify situations that may result in a financial loss for individuals	<ul style="list-style-type: none"> <li>Examples: thing getting broken, stolen, lost, etc.</li> </ul>
		PR3. Identify the potential risks of on-line shopping	<ul style="list-style-type: none"> <li>Examples: identity theft, disclosure of private information, pirated products, etc.</li> </ul>
	KS3	PR4. Understand common potential financial fraudulent situations/scams	<ul style="list-style-type: none"> <li>Examples: lending out the use of bank account, paying training fees for employment etc.</li> </ul>
		PR5. Understand how savings can create protection	<ul style="list-style-type: none"> <li>Examples: emergency saving, medical expenses etc.</li> </ul>
	KS4	PR6. Describe the potential risks of using e-banking services	<ul style="list-style-type: none"> <li>Examples: privacy, security, PIN security etc.</li> </ul>
PR7. Understand financial risk arising from poor credit record		<ul style="list-style-type: none"> <li>Examples: bankruptcy and higher interest rate</li> </ul>	
PR8. Understand basic functions of insurance		<ul style="list-style-type: none"> <li>Protecting assets and reducing financial risk. e.g. health insurance for illness, travel insurance for accident in tour, life insurance for death etc.</li> </ul>	
Adults Core	PR9. Understand how different unexpected events and potential financial risks can lead to financial losses	<ul style="list-style-type: none"> <li>Examples: Death of a partner leading to reduced family income, natural disaster damaging property, driver hit a pedestrian and being sued etc.</li> </ul>	
	PR10. Compare different types of insurance needed in different situations	<ul style="list-style-type: none"> <li>Examples: life and medical insurance, accident insurance, home insurance, motor insurance, travel insurance, Investment Linked Assurance Scheme, etc.</li> <li>Features of insurance: covered areas, price and premium, compensation</li> </ul>	

		PR11. Describe the purpose and main features of Deposit Protection Scheme	<ul style="list-style-type: none"> <li>Maximum protection is up to HK\$500,000 per depositor per Scheme member etc.</li> </ul>
		PR12. Understand how employee benefits can offer protection	<ul style="list-style-type: none"> <li>Examples: health and dental, accidental death, long-term disability, retirement saving plan, phased retirement, etc.</li> </ul>
		PR13. Understand the main types of financial fraud/scams and ways to protect oneself from it	<ul style="list-style-type: none"> <li>Examples: fraudulent financial statements, misappropriation of assets, boiler room scams, fake bank websites, pyramid scams etc.</li> </ul>
	Adults extended	PR14. Understand the process of preparing a Will and Enduring Powers of Attorney	
		PR15. Describe and explain the impact(s) of internal and external factors on creating and protecting assets and wealth.	<ul style="list-style-type: none"> <li>Examples: property cooling measures in Hong Kong, inflation, exchange rates, GDP growth, industry growth, investment gains, etc.</li> </ul>

	Stage	Competence Elements	Explanatory Notes
Attitudes (A)	KS1	A1. Conscious about spending within one's income	
		A2. One cannot have everything as one only has a limited amount of money	<ul style="list-style-type: none"> <li>Understand that people do not have unlimited amount of money to satisfy all wants and there is a need to set priorities</li> </ul>
		A3. A belief that one needs to seek a trustworthy source of advice if one has a financial issue	
		A4. Prepare to delay gratification to gain more in the future	
	KS2	A5. Withstand the influence of peer pressure and advertising on spending	<ul style="list-style-type: none"> <li>Consider the boasting effects of advertisements, construct self-esteem and positive personality, etc.</li> </ul>
		A6. Money plays an important part of our life but it is not the only source of happiness	<ul style="list-style-type: none"> <li>Develop a positive value of self-worth</li> <li>Some things that money cannot buy; love, friendship,</li> </ul>
	KS3	A7. A belief that learning more about finance can help making better financial decisions	<ul style="list-style-type: none"> <li>Knowledge empowers and gives concrete grounds on decision-making</li> </ul>
		A8. Understand that it's cheaper "to save to spend" than "to borrow to spend"	<ul style="list-style-type: none"> <li>Interests is charged for loans, hence cost of borrowing is higher than cost of saving</li> </ul>
		A9. Be responsible to managing one's own cash	<ul style="list-style-type: none"> <li>Not dependent on parents</li> </ul>
	KS4	A10. Recognise all investments carry a risk of losing value	
		A11. Money needs to be actively managed	<ul style="list-style-type: none"> <li>An active management of money would give a full picture of one's financial status, so as to assess the risk and responsibilities of taking certain financial decisions</li> </ul>
		A12. Responsible to plan for one's own future	<ul style="list-style-type: none"> <li>Career and life planning</li> </ul>
		A13. Interested in learning more about daily financial matter	<ul style="list-style-type: none"> <li>Example: economic news, Government budgets, interest rate movement, increase in public utility fees etc.</li> </ul>
			A14. Recognise higher return investments will carry a higher risk of losing value

	Adults	A15. Appreciate the value of financial advice	<ul style="list-style-type: none"> <li>Some personal finance matters may be very complicated</li> </ul>
		A16. Resist purchasing temptations, greed and control desires	<ul style="list-style-type: none"> <li>Realises that this can happen, insist self-control from impulsive consumption</li> </ul>
		A17. A belief that one has the responsibility to actively managed one's future and wealth	<ul style="list-style-type: none"> <li>Needs to budget, set a financial plan, invest prudently etc.</li> </ul>
		A18. A belief that there is a need to persistently monitor personal financial status in a systematic and healthy manner	<ul style="list-style-type: none"> <li>Track spending, review bank/investment/MPF account statements etc.</li> </ul>
		A19. A belief that borrowing should be avoided and debt should be minimised	<ul style="list-style-type: none"> <li>Keep minimum of debts for one's financial management can reduce cost and risks</li> </ul>
		A20. Rational when making financial choices	<ul style="list-style-type: none"> <li>Avoid emotions and behavioural economics traps etc.</li> </ul>
		A21. Critical and cautious when purchasing financial products	<ul style="list-style-type: none"> <li>Evaluate the credibility of information sources etc.</li> </ul>
		A22. A belief that there are ways to reduce the financial impact of some unexpected events	<ul style="list-style-type: none"> <li>Examples: insurance, emergency saving, avoid situations etc.</li> </ul>

	Stage	Competence Elements	Explanatory Notes
Motivations (M)	KS1	M1. Has an aspiration to improve one's life	
	KS2	M2. Be aware that saving now is a way to be able to spend in the future	
		M3. Be diligent in achieving ones goals for future betterment	<ul style="list-style-type: none"> <li>Examples: further education, internships, getting a job, trying to get a promotion, working extra hours etc.</li> </ul>
	KS3	M4. Visualise being more able to meet the financial needs at different life stages through good planning	<ul style="list-style-type: none"> <li>Examples: education and training, marriage, parenting, home purchasing, retirement, etc.</li> </ul>
		M5. Planning early can generate more options for ones goals	<ul style="list-style-type: none"> <li>Examples: buying life long-term insurance with saving elements, education, retirement</li> </ul>
	KS4	M6. A belief that a sensible financial plan can help achieve one's career and life goals	<ul style="list-style-type: none"> <li>Examples: further study, home ownership, starting a business, getting married, child's education, retirement, etc.</li> </ul>
	Adults	M7. Motivated to identify options to increase personal income	<ul style="list-style-type: none"> <li>Examples: secondary income, promotion, better job etc.</li> </ul>
		M8. Visualise the benefits of sensible investment in growing one's savings in the long run	<ul style="list-style-type: none"> <li>Compound effect</li> </ul>
		M9. Feel secure that a plan is in place to achieve one's career development and life goal	
		M10. Increase income and savings throughout one's life can meet changing personal and household expenses	

	M11. More able to achieve financial well-being through active personal finance management	
	M12. Motivated to acquire knowledge and skills to improve financial decision making	<ul style="list-style-type: none"> <li>Attend financial seminars, read financial books/magazine, read annual reports, search for financial information, discuss financial matters etc.</li> </ul>
	M13. Feel safe with sufficient money reserve for unexpected contingencies	
	M14. Motivated to seek public financial support when needed	<ul style="list-style-type: none"> <li>Seeking public financial support can help to alleviate some financial burdens during difficult times</li> </ul>

	Stage	Competence Elements	Explanatory Notes
<b>Behaviours (B)</b>	KS1	B1. Save regularly	<ul style="list-style-type: none"> <li>Always keep a portion of income as reserve for future use</li> <li>Examples of saving: daily/weekly/monthly saving, fixed amount/fixed percentage saving, etc.</li> </ul>
		B2. Talk honestly about money with family	<ul style="list-style-type: none"> <li>Examples: Don't presume anything about money, if in doubt ask. Do not hide any money matters (lost money, not enough money) etc.</li> </ul>
		B3. Spend less one's cash available	
		B4. Protect personal asset	<ul style="list-style-type: none"> <li>Examples: Money, watch, clothes, sports equipment etc.</li> </ul>
	KS2	B5. Borrow money only if one has the ability to repay back	<ul style="list-style-type: none"> <li>Money for repayment is available elsewhere or available in a period of time</li> </ul>
		B6. Resist desires and control temptations when shopping	<ul style="list-style-type: none"> <li>Examples: Not demanding parents to buy things when shopping.</li> </ul>
		B7. Compare products and prices and select the best purchase option	<ul style="list-style-type: none"> <li>Examples of comparison: compare with prices/qualities/reputations/services, etc.</li> <li>Examples of making decision: within budget, according to needs, duration, etc.</li> </ul>
		B8. Set short-term financial goals	<ul style="list-style-type: none"> <li>Example: saving to buy a birthday present</li> </ul>
		B9. Allocate money to meet various financial goals	<ul style="list-style-type: none"> <li>Setting a simple budget</li> </ul>
		B10. Keep track of weekly spending	<ul style="list-style-type: none"> <li>The track record can be used as a reference for revising budgets</li> </ul>
	KS3	B11. Minimise spending where possible	
		B12. Read and understand terms and conditions before deciding to purchase	<ul style="list-style-type: none"> <li>Examples: Mobile phone plans etc.</li> <li>Be aware of terms and conditions, fees and charges, contract period, etc.</li> </ul>
		B13. Repay borrowings as promised	<ul style="list-style-type: none"> <li>Examples: On time, same condition, additional requirements etc.</li> </ul>
		B14. Select the appropriate methods of payment for goods and services	<ul style="list-style-type: none"> <li>Consider the cost, convenience, reliability and acceptance of the payment method</li> </ul>
		B15. Review financial goals and budgets regularly	<ul style="list-style-type: none"> <li>Review regularly as to keep track of current status</li> </ul>
		B16. Use electronic tools to create a personal budget	<ul style="list-style-type: none"> <li>Examples: spreadsheet, mobile apps, etc.</li> </ul>

KS4	B17. Explore ones family expenses	<ul style="list-style-type: none"> <li>Examples: Electricity bill, grocery spending, insurance premiums, school fees etc.</li> </ul>
	B18. Avoid impulsive purchases	<ul style="list-style-type: none"> <li>Think twice before purchasing a product, e.g. Is it a need or just a want? The frequency of using the product. Are there any options of rental or borrow available?</li> </ul>
	B19. Raise personal financial issues and seek help	<ul style="list-style-type: none"> <li>Examples: Unable to repay borrowed money, paying for damages etc.</li> </ul>
	B20. Make a life plan with a consideration of financial implications	<ul style="list-style-type: none"> <li>Examples: further study cost, cost to start a business, etc.</li> </ul>
	B21. Choose a career path with consideration of financial implications	<ul style="list-style-type: none"> <li>Examples: Consider salaries of jobs, benefits, allowances and promotions, etc.</li> </ul>
Adults	B1. Maximise one's use of personal income	<ul style="list-style-type: none"> <li>Weight out the benefits of each expenditure</li> </ul>
	B2. Make provision for retirement contributions and tax payments from one's income	<ul style="list-style-type: none"> <li>Examples: set aside money for income tax savings for retirement (in addition the MPF)</li> </ul>
	B3. Regularly set aside a proportion of income as savings first	<ul style="list-style-type: none"> <li>Treat savings as the first expense that one must paid</li> </ul>
	B4. Select investment appropriate to one's risk tolerance and investment objectives, and review them regularly	
	B5. Ask appropriate questions and gather suitable information for assessment before making an investment decision	<ul style="list-style-type: none"> <li>Examples: Clarify information, ask if in doubt etc.</li> </ul>
	B6. Calculate and evaluate the real return of saving and investment before selecting a product	<ul style="list-style-type: none"> <li>Using real rate of return can foresee the return of financial products despite inflation or other external effects</li> </ul>
	B7. Select investments based on factual analysis rather than speculation	<ul style="list-style-type: none"> <li>Using fundamental analytical skills to assess the facts and events related to an investment</li> </ul>
	B8. Diversify one's investment	<ul style="list-style-type: none"> <li>Construct an investment portfolio including various financial products and saving plan</li> <li>Examples: cost averaging, diversification, portfolios management, risks, rebalancing, etc.</li> </ul>
	B9. Minimise spending and spend within one's budget	
	B10. Meet financial/payment obligations on time	
	B11. Compare the cost of borrowing from different lenders and select the most appropriate types of loan for the situation	<ul style="list-style-type: none"> <li>Factors of consideration: interest rates, repayment period, personal financial status, budget, etc.</li> </ul>
	B12. Evaluate the credibility of different sources of consumer information before making a financial decision	<ul style="list-style-type: none"> <li>Evaluate with the objectivity of the information source: assess whether it has underlying presumptions or relationship with the product issuer</li> </ul>
	B13. Read, check and interpret personal financial documents on a regular basis	<ul style="list-style-type: none"> <li>Examples: bank statements, stocks and MPF reports, etc.</li> </ul>

	B14. Check the credentials of a financial product before purchasing	<ul style="list-style-type: none"> <li>• Examples: KFS, offering document, prospectus etc.</li> </ul>
	B15. Follow the correct sales procedure when buying/using a financial product/service	<ul style="list-style-type: none"> <li>• Responsibilities of intermediaries: selling authorized products, disclose their roles in the transaction and the benefits the investor would receive from product issuer</li> <li>• Assessing the investor: Investor characterisation before the transaction</li> </ul>
	B16. Seek a trustworthy source of professional financial advice if in doubt	
	B17. Check the credentials of intermediaries before engaging them	<ul style="list-style-type: none"> <li>• Check registered intermediaries from authorities, e.g. Securities and Futures Commission, Hong Kong Monetary Authority, the Hong Kong Federation of Insurers, Professional Insurance Brokers Association and Mandatory Provident Fund Schemes Authority</li> </ul>
	B18. Calculate one's personal wealth (net worth) regularly	<ul style="list-style-type: none"> <li>• Calculation of net worth: the value of assets minus the value of liabilities</li> </ul>
	B19. Use electronic tools to track income/spending and set/review on a regular basis	<ul style="list-style-type: none"> <li>• Examples: spreadsheet, mobile apps, etc.</li> </ul>
	B20. Set, monitor and revise a budget to reflect changing circumstances	<ul style="list-style-type: none"> <li>• Revise budget weekly/monthly or before a certain life event happens</li> </ul>
	B21. Identify, set and regularly review realistic long-term financial goals for major life events	<ul style="list-style-type: none"> <li>• Examples: retirement planning</li> </ul>
	B22. Carry out a retirement plan including MPF/ORSO investment	<ul style="list-style-type: none"> <li>• Example: Calculate retirement fund needed, put in place a plan to achieve the amount by retirement</li> </ul>
	B23. Maintain sufficient money reserve for unexpected contingencies	<ul style="list-style-type: none"> <li>• 3 to 6 months to cover living expense in case of sickness, unemployment, etc.</li> </ul>
	B24. Use insurance to transfer risk in order to minimise the impacts of financial losses	<ul style="list-style-type: none"> <li>• Life insurance, travel insurance, household insurance etc.</li> </ul>
	B25. Make arrangements when one cannot manage their own finances	<ul style="list-style-type: none"> <li>• Examples: Enduring Power of Attorney, Wills etc.</li> </ul>