Prof Pang and her husband make most investments decisions together, except when it comes to stocks.

WHEN the economy was in the doldrums in 2003, Associate Professor Pang Yang Hiong started a fund to help some undergraduates from low-income families. She and 12 colleagues at the Singapore Management University (SMU) pooled $60,000 of their money and then called on a number of companies to chip in.

Together with matching contributions from the Government, that fund has grown to more than $1 million now.

The interest earned on that amount is used to pay for scholarships for around eight students a year.

Prof Pang, 51, the dean of the school of accountancy at SMU, is one believer in charity — and simple living.

That's what emerges during an interview at her 10th floor office in the Bukit Timah campus, which overlooks a lake in the Botanic Gardens. She is also one of SMU’s two vice-presidents, and that makes her the highest-ranking woman in that university.

She is married to Associate Professor Leong Kwong Sin, 52, who teaches in SMU’s accountancy faculty.

They share a car to work and put their heads together when it comes to investing their money.

But the couple, who have a son, Jonathan, 11, also enjoy a bit of competition in investing.

Q Are you a saver or spender?
A I am very much a saver. My family and I live very simply.

I do not feel the need to indulge in unnecessary luxuries, and I am easily contented. For example, I don’t buy branded clothes and I’m not a member of any country club.

Q What explains your attitude towards money?
A My husband and I come from very humble families. Although we can afford many things now, we prefer to live simply.

To us, money is certainly a very useful commodity, but it should never dominate one’s life.

Q Where have you parked your surplus money?
A We don’t have time to actively monitor our investments. That’s why, other than our home, which is condominium in River Valley, the bulk of our money — about 70 per cent — is invested in unit trusts.

About 20 per cent is parked in various insurance policies and the balance in specific shares, mainly blue chips.

Q How do you apply your expertise in accounting to your investments?
A As an accountant, I am naturally risk-averse, so I diversify my investments.

We buy into different types of unit trusts invested in several industries and countries.

With equities, we tend to stay with blue chips, and we examine the financial statements of companies to ensure that the fundamentals are strong before making a purchase.

Q Roughly what returns have you been generating every year?
A Our returns are close to the market’s return. Last year, we averaged 25 per cent because the stock market recovered.

On average over the last 15 years, our return has been roughly 3 per cent a year.

Q Why don’t you actively seek out investments for greater gains?
A Higher returns are usually, if not always, associated with higher risks.

Our simple strategy of buying and holding should, in the long run, earn us a satisfactory return.

Besides, my family has simple needs and we are easily satisfied.

We don’t see the need to spend too much time and effort monitoring our portfolio, something that would be necessary if we wanted to pursue higher returns.

Personally, I would rather spend time with my family than chase after higher returns.

Q What arrangement do you and your husband have when it comes to investing?
A Most of our investments are done and held jointly. The exception is the small amount of equity purchases we do separately.

A little competition is good.

By the way, my shares are making a higher return than his!

Q What investment-related movies might you take in the next phase of your life?
A We will steadily move out of equities into fixed-income investments such as bonds as we near retirement. However, even when we retire, we will still maintain some amount of equity investments for higher returns.

Q What money values do you seek to inculcate in your son?
A He gets $2 a day for pocket money. He is taught that he shouldn’t take things for granted.

We inculcate in him the belief that money is useful but it has to be earned. We also teach him that money is not evil in itself, but the love of money is.

Q Given your profound simple lifestyle, you may have a head of money to pass to your son one day.
A I must first say that professors are not that well-paid. We are by no means wealthy, even though we live comfortably.

My son will be able to live comfortably as well, but he would have to work for his living.

I want him to be a useful member of society, someone who is motivated to work hard and succeed through his own efforts.

There are meaningful ways of spending money other than on ourselves or our son.

We give regularly to our church to enable it to reach out to the community.