

Dividend Investing Made Easy

A Simple Quick-Start Guide to Start
Building Income You Can Count On

The Resilience Planner



Contents

01 Introduction

Let Your Money Grow Like a Garden

02 What is Dividend Investing?

03 Reasons Why People Invest for Dividends

04 Common Mistakes People Face in Dividend Investing

05 Key Considerations When Building Your Dividends Portfolio

06 A Case Study

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Introduction

— Let Your Money Grow Like a Garden



“Imagine planting a tree that quietly bears fruit each season — not because you’re doing more, but because you planted wisely and gave it time.”

That’s what dividend investing is like.

You choose assets — like companies, funds, or portfolios — that reward you with steady payouts, just for holding them. These payouts, called dividends, are your slice of the profits.

Instead of trying to buy and sell at the ‘right time,’ you simply receive steady income along the way.

30 years later



People who are drawn to dividend investing usually value:

- **Steady portfolio growth** versus capital gains from volatility
- **Income** they can enjoy or reinvest – without needing to “time the market”
- **Passive management** over active management

This short guide will explore what dividend investing is, and how dividend income might support your lifestyle, ease your stress, and help you age gracefully.





What Is Dividend Investing

Dividend investing is a strategy that investors use to generate regular income from their investments.

It means putting your money into **companies or funds that share part of their profits with you** — usually every quarter or half-year. This payout is called a **dividend**. It is a commonly used strategy for income investors who are looking to build a secondary source of passive income, savings for their retirement or other purposes.

In dividend investing, you're not primarily relying on market prices to go up — you're receiving income along the way. Although aside from dividends, investors may also benefit from the capital gains if the price of the funds increase.

It's like:

- Owning a share of a profitable business
- And receiving your portion of the profits
- While still holding onto the asset

Some funds pay more consistently than others.

Some offer growth and income. The key is understanding what you value — **stability, growth, or both.**



Many investors also like dividend investing, because they can/have:

→ **Receive monthly/quarterly income**

These money inflow feels tangible, even during market volatility or downturns.

→ **Achieve peace of mind**

There's no need to monitor the market closely for the "right time to sell". The dividends you receive will pay you back slowly, over time.

→ **Option to reinvest or draw it out for lifestyle needs**

With dividend investing, you can choose to reinvest the dividends for further compounding of returns, or receive it for your monthly allowance.

*"Dividends let your money work while you rest.
That's building wealth quietly."*



Common Mistakes People Make in Dividend Investing



Many people can get excited with the idea of making money while they sleep, and often they may end up making these mistakes:

→ **Chasing High Yields Only (High Yields do not always mean Better Investment)**

A high dividend payout isn't always sustainable. Sometimes, it signals risk, especially when the dividends are paid off from the capital invested.

→ **Focusing Only on Payouts, Not Quality**

Strong businesses with lower but consistent payouts may serve you better long-term.





→ **Ignoring Fees, Structures, or Tax Implications**

Especially for REITs¹, ETFs², or overseas holdings — structure matters. Sometimes, the cost of holding on to many stock counters or funds may also mean it's challenging to keep track of all of them and make adjustments timely.

→ **Expecting Instant Results**

Dividends work best when you give them time to accumulate, compound, and support your plan.

¹ REITs: *Real Estate Investment Trust*

² ETFs: *Exchange-Traded Funds*



Key Considerations Before You Start with Dividend Investing

Before you begin, pause and ask yourself:

- **What role should income play in my overall plan?**
Is it for now, or the future? For freedom, or backup?
- **What's my capacity to invest regularly or in a lump sum?**
This shapes how you build your dividend stream over time.
- **What type of products align with my timeline and values?**
In Singapore, there are plenty of options: dividend-paying stocks, REITs, ETFs, Unit Trust Funds, ILPs, annuity-like structures. All of these can provide some form of income — there's no one-size-fits-all approach.

→ **What is my emotional risk tolerance?**

Can I stay invested even if the market dips, knowing that dividends are still being paid?

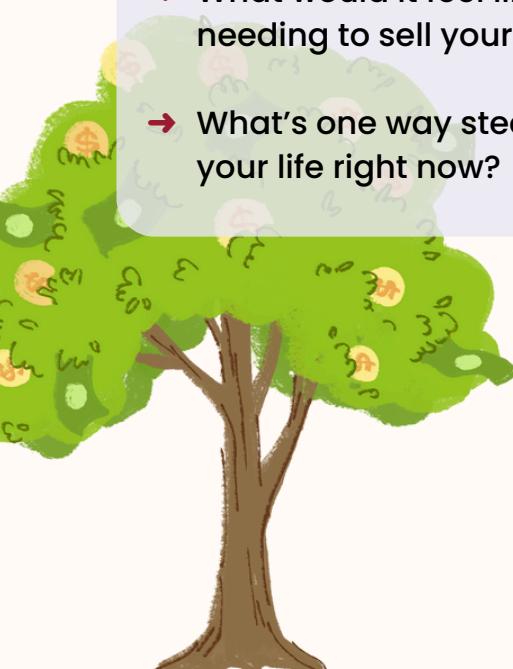
→ **Who's guiding me in aligning this with my overall goals?**

Working with a trusted advisor can help you avoid unnecessary pitfalls or blind spots and structure it well to match your lifestyle needs.

Dividends don't have to be complicated — but they do have to be aligned.

Reader Reflection 

- What would it feel like to receive income without needing to sell your investments?
- What's one way steady income would support your life right now?



A Case Study:

How Sarah Built \$500/Month in Dividends Starting with \$20,000.



Meet Sarah – A Steady Grower

Sarah is 35, a salaried professional with a busy life and a practical mindset. She wanted to grow her money – but without watching charts or stressing about the market.



Her Goal:

“I just want my money to do something in the background – to quietly support me later, without me worrying about it every day.”

What She Did:

- Invested \$20,000 initially and \$6,000/year (about \$500/month) into a dividend-paying portfolio
- Opted to reinvest the dividends automatically (instead of taking cash)
- Took a long-term view: 10 years to start, then reassess

Her Portfolio Growth:

- In 10 years, her portfolio value: \$111,700 (dividend income: ~\$370/mth)
- In 15 years, her portfolio value: \$60,300 (dividend income: ~\$590/mth)

(Assuming average annual return of 5% with dividends reinvested)

What She Noticed:

The dividends started small... but grew every year.

She felt reassured — even when markets dipped, the dividends still came in.

30 years later, when she turned 65, her sizeable nest egg and an income stream of **~\$1,600/mth** (on top of her CPF retirement funds) meant she can enjoy a comfortable retirement.



Sarah Says:

“It’s not flashy, but it’s working. I used to think investing was risky, but now my dividends help cover some expenses and small treats — without touching my savings. Now, I feel so assured financially.”

Key Takeaways for Beginner Investors:

- **Start small**—even \$20,000 can grow significantly. (When circumstances do allow, do a top-up to your investment portfolio to reach your goals earlier.)
- **Diversify** across fund types (equities + bonds).
- **Reinvest dividends** to **accelerate growth**.
- **Consistency** (e.g., RSP & DCA) matters more than timing.

What's Next?

This guide is a gentle introduction — not an instruction manual.

Every investor is in a different season of life. Your wealth needs to support your values, energy, and desired pace — not just returns on a screen.

Curious to explore your income strategy?

— I'd be happy to walk you through what dividend investing and financial planning could look like based on your season and lifestyle.

→ Reach out for a review, or request a digital copy.

Oh... and by the way, have you taken my **Wealth Season Quiz**?

You can take it here now.



Meet Cammie

Cammie is an architect-turned Financial Resilience Advisor. After recovering from a brain stem tumour, she now helps individuals and families design protection plans aligned with what they value most – their space, their independence, their joy.

As **The Resilience Planner**, she helps align protection with what clients value most. Her mission is to help you protect your lifestyle with grace, clarity, and confidence.

*"The path to financial resilience is like a marathon, not a sprint.
Take it step-by-step. I can guide you there."*



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