Simran Kaur | Girls That Invest: Your Guide to Financial Independence | Talks at Google

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SUMMARY

Simran Kaur, a recognized investor and founder of the podcast "Girls That Invest," shares insights on empowering women and minorities in finance. She emphasizes the importance of making money work harder rather than just working hard for money, advocating for financial literacy and investment confidence among women.

- *Simran's journey from studying optometry to becoming a millionaire investor highlights the importance of financial empowerment for women.*
- *She stresses that women are not inherently risk-averse but rather risk-aware, needing knowledge and representation to feel confident in investing.*
- *Common misconceptions about investing include the belief that one should wait until they have money to invest and that investing is akin to gambling.*
- *A healthy investment portfolio typically includes a mix of stocks, bonds, and funds, tailored to individual risk tolerance and life stage.*
- *Simran encourages a long-term investment strategy, emphasizing the benefits of holding investments rather than trying to time the market.*
- *Ethical investing is gaining traction, with evidence suggesting that companies committed to sustainability and diversity perform better financially.*
- *The discussion highlights the importance of community and sharing financial knowledge to empower others on their investment journeys.*

[MUSIC PLAYING] SHILPA MANIAR: Hi, everyone. Welcome to Talks at Google. We are so excited to be here live in New York City and have you all with us today. So thank you so much for joining us. And everyone on the live stream, we see you. We feel you. So you are just as much present here in the room with us. I'm Shilpa Maniar. And I'm the global head of ad safety and the chair of the Indus Google network.

And I am personally so excited for today's conversation because we're going to be talking about practical tips on how to make money work harder for you. And so, so much, as I look around the room, there's so many of us women in the audience and minorities. We're always taught

on how to work hard. And that's what we've learned
our whole lives is, how do we work hard as individuals? And today, we're
going to be discussing how to make money work harder.

So really excited
about the conversation. And with that, we have a very
special guest and friend of mine with us, Simran Kaur. She is a globally
recognized investor. She is a best-selling author. She is the founder of a
multi-million dollar media company, the podcast
host of the number one investment
educational podcast called Girls That Invest. And she's seen around the world. And we're so excited to have
her presence with us today.

There's a few other
fun facts I did want to share about our speaker. So I'm just going to share that
with you really quickly, if I can go back. OK. So other than that, she's
created this empire. She has over 300,000
active women and minorities in her community. And she has over 6 million
downloads on her podcast. So congratulations, Simran. That's quite an accomplishment. Simran's work has been featured
in Forbes, Vogue, Business Insider. And most recently,
you can see her-- or you might have seen
her in Times Square on a billboard for
closing or opening the bell at NASDAQ for
International Day of the Girl.

So wonderful there as well. She is recognized as
Forbes 30 under 30. And she is represented
by Neerja PR. On top of that, her
passion for investing has led her to become a
millionaire by the age of 25. Yes, 25, already a millionaire. So much we have to unpack there. I can't wait. And she is on this continual
mission of putting money in the hands of women. And I think, right
now, there's no better time than to call you up with
open arms and open hands.

Simran Kaur, welcome
to Talks at Google. [APPLAUSE] Welcome. We are so excited to have you. SIMRAN KAUR: Thank
you for having me. That was a very, very,
very kind introduction. SHILPA MANIAR: You know
what, you did the work. I just had to read the script. So that worked out really well. So we talk about this

industry
that you've propelled through, the financial industry. And you've made
waves in an industry that's predominantly
male, stale, and pale.

And you've done it in such
an unconventional way. You and I were speaking before. You studied optometry
in university. You then went on to create a
blog that was called "The Indian Feminist," where Priyanka
Chopra even followed it, about South Asian news. You pivoted. And you took online courses
at Yale to study finance. And then you didn't stop there. You went on, and you
continued to create a podcast to help empower women
to learn how to invest.

And then you created a podcast
that became number one. So there's so much
that you've done. And we want to understand, what
is that motivation behind all of those career pivots? SIMRAN KAUR: The
next time I feel sad, I'm going to listen back
to that last sentence and be like, yeah, no. I'm doing OK. That's very kind. I-- can hear me OK? Yeah. I find that
to understand
where someone's going, it's always important
to understand where they've come from.

Because that often gives you
a good idea of why they're doing what they're doing. And my story kind of begins
in a South Asian family back in New Zealand where I grew up. And I got to see a lot
of the women in my life have situations where, if their
partners made more than them, they would often
say things like, well, you know, honey,
I am the breadwinner. So we're going to do what I say. And that could be little
things like this is the holiday that we're going to.

And it's my choice. It could be larger
things like, no, no. The kids are going
to go to school here. And because I make the money,
I'm going to have a say in that. And sometimes it would be
even in unsafe situations. And so growing up, I always
had this desire or this need to feel like the
empowerment of women wasn't just a fun thing
to do but was so important to our lives. And it was almost detrimental

if I did not dedicate my life to the empowerment of women.

It started off with The Indian
feminist, as you were saying. But oftentimes,
in that community, people would say
things like, I get it, feminism, standing
up for myself. But I live at home. And living at home means
my parents are still paying for my life. So I still have
to listen to them. And that's when I kind
of started to realize, well, you can't
really have feminism if you don't give women
economic independence. And that's where it began.

SHILPA MANIAR: And I love that. And you know, you grew up. Your home is New
Zealand, which is, when you do stand up and look
around, it's quite stunning. So it's a great place to be
able to mindfully reflect, I feel like. And it has the perfect
scenery to give you that. But I think the amazing
thing is that you were able to build this
global brand sitting in New Zealand, which is quite
far from where we are today.

Actually, sitting in New York,
it's a pretty long flight. So how did you go from
being this empowered female, this individual
investor to building a brand that reached a community
over 300,000 around the world? SIMRAN KAUR: How did I do it? I often say that the best
ideas come from a need that you have yourself. And so when I was
growing up, I really wanted to learn how
personal finance worked and how to invest. And I started off, as you
were saying, in optometry, which is focused on the eyes.

And in our degree,
they would tell us, you should take some
elective papers, some papers that are outside of the eyes. There's more to the
world than eyes. And I was like, wow. OK. And I took some finance papers. And that's when I
realized like, hey, money is actually not
that hard to learn. I grew up thinking that I
don't have a numbers brain. And if I don't have
a numbers brain, I can't be good with money.

I have a science brain
or a creative brain but not a numbers one. And so it really took some
time for me during those papers to realize, wait, I can be
a woman and good with money. What? That's crazy. I just remember
like learning that I had so many internal hurdles
that I needed to go over. And now I've started rambling. And I forgot the question. SHILPA MANIAR: No. You know what? No. That's exactly
what we're talking about is that the vulnerability
that you had to say I can talk about numbers
and I might be a science person by nature,
and I can still learn math and be good at it.

And you were still were able
to overcome those obstacles and still reach so many. And so, how did you overcome
that curiosity or maybe that nervous anxiety of,
are they going to trust me? Like how did you get
over that vulnerability and actually go for it? SIMRAN KAUR: I believe
that representation is extremely important. And I, for so long, didn't see
anyone that looked like me. So I would go to
investor events. And I would follow
these communities.

And I would turn up. And oftentimes, I was the only
woman, the only young person, and sometimes only
the woman of color. And I'm a limited partner in a-- I'm an LP in some venture
funds in New Zealand. And sometimes when I
go to those events, I'm still also the only
woman, young person, or person of color, and
sometimes all three. It's a triple whammy. But what I find is, in those
moments when I was younger and I was going to these
retail investor events-- retail investors just
mean people like you and me that invest
in public markets.

When I didn't see people
that looked like me, I didn't feel like
it was for me. And I would ask myself, like,
maybe I'm not meant to invest. Maybe this isn't something
that someone that looks like me or sounds like me should do. And I always believe
that, when you're in that moment, when
you think, oh, maybe I'm not meant to be
here, that's just a sign that this path

hasn't been carved yet. No one before you has
started to lay down the footpath ahead of you.

So maybe it's your
job to be that person. Maybe it's your
job to say, well, if there isn't a
community for women to become investors
and learn, maybe I should make that community. And so I started sharing
my experience, started talking about what I was
learning, what I was investing, and saying, look, I'm
just an ordinary person. But I'm also an investor. And this is what an
investor looks like. And it just grew from there. And sometimes I
say, yes, you know, Girls That Invest
has done really well.

And we've grown quite quickly. But also, no one was talking to
a woman about investing at all. So were we good at what we did? Or was just no one talking to
half the world's population about money? SHILPA MANIAR: Yeah. And I think that
angle that you've done so well in the
voice of your book and the voice of
your podcast is-- if you haven't had
a chance to listen to her podcast, Girls That
Invest, it's pretty phenomenal.

Because you break down
financial jargon in a way that's so relatable. And we'll unpack some
of the terms you use like the fourth Jonas brother. And we'll talk about that later. There is a fourth Jonas brother. And we'll talk about what
that means in finance terms. But I think you do it so well. And so when you were going
through this journey and you were trying to build your
own podcast and build this multi-million dollar
company, you know, who did you go for to-- who did you go to for
investment advice?

And what podcasts
do you listen to? SIMRAN KAUR: At the
time when I was younger, podcasts just weren't popular. So we didn't have
podcasts to search up. But I read a lot of books. And I met as many
investors as I could. And I just I think it's a really
good thing to be a nosy person. And I really encourage nosiness. And so when I was younger,
if I went to someone's house and they're like-- you walk

into your friend's home.

And you're like, wait,
my friend is rich. And they have a big
home and a fancy car. I would always ask the
same question, what do your parents do for work? And I think that's
normal to ask. And my parents would
be like, Simran, you can't keep asking people
what their parents do. It's rude. And you definitely can't ask
them what their parents make and what they invest in. But I thought it was normal. Because I thought, well, I don't know how they got this.

And I would like this too. So knowledge is power. I'm going to ask questions. And so any time I'd
get the chance-- one of my friends,
they exited a company. And I sat her down. And I was like, where
have you put the money? What are you doing with it? I want to learn. And she was happy
to share it with me. So I find being extremely
nosy, reading a lot of books, but also trying to
invest-- you can only learn so much in theory.

When you actually put your
hard-earned money to work, you're like, wow,
this is my real life. And I don't want to lose it. And just trial and error
really played a part over time. SHILPA MANIAR: You
know, I think there's something to say about curious
learning and curiosity. And I wish I asked
more of my friends when I was younger, how
did your dad buy that car? You know, what did he do? And I think about the benefits
of investing younger and asking those harder questions because
you can really see the reward just because you have-- I don't know.

I can't say a
longer future ahead. Because no one knows
what tomorrow is. But you know what I mean. You just have more time
to really to realize. So there was this fun fact. And I was reading. And I was trying to uplift
my own investment background. And I've been trying to
learn for the last few years as well is there was a
study that was taken, that was done a few
years ago that actually said the most profitable
investor wasn't the person that was the financial
expert or study and has been a banker for years.

The most profitable
investor was actually the person that
forgot their password to log into their account. And so that's pretty funny. I know. Same. I was like, maybe I should
forget my passwords. But thank you to Google
because you store it all. And so even if I tried-- I'm just kidding. You could use other things too. But yeah, so that's one of
the fun facts that I did read. But another study
that I was looking at was a global study that was
done that said 91% of men are more likely to
invest than women.

And why do you think that is? Like why do you
think that there's this perception or this stat
that's out there that saying women are just not investing? SIMRAN KAUR: That's a
really good question. Just to go back to the study
that you were mentioning earlier, another one
was done by Fidelity that looked at their own
users and tried to figure out who were the best investors. And the best investors
on their platform were the people that
had passed away.

SHILPA MANIAR: Oh, I know. I read that article. I thought it was sad. SIMRAN KAUR: I thought
it was quite funny. But it just goes to show--
and you'll never forget it. But it goes to show like
being an active investor and always trying to
see what's happening-- we have such preconceived
ideas and notions of what an investor looks like. But an investor is someone
that makes decisions and is in it for the long term. Now to the conversation of
why women aren't investing, I get a lot of feedback,
comments, sometimes unsolicited feedback by
people that say, well, why does Girls
That Invest exist?

Women are really risk adverse. And that's why
they don't invest. I once had someone
say women are actually better off not investing. Like they're smarter
to not be investing. They should just be
putting their money in a savings account. And 69% of women's
wealth is kept in cash. Now, that sounds
like a good thing. But that's actually
a terrible thing. Because, as we know now,

inflation is not good for cash. So women's wealth gets more
severely affected by inflation than our male counterparts.

But why do women not invest? We asked our community. And we wanted to figure it out. Was it truly that we're risk adverse? But the answer was two things, knowledge, lack of knowledge, and lack of representation. And if you can't see someone that looks like you excelling in something, it is really hard to imagine yourself to be the pioneer. If you don't have family members that invest, it's hard to imagine that you're going to be the first investor in the family in the exact same way that if you're the first family member to go to college.

There's so many barriers in place. So knowledge-- sorry. Representation was a huge one. And knowledge was really popular too. And knowledge is an easy one to fix. Because if there's media company or someone that's here to say, hey, this is how you do it, it's really simple, 99% of the women that we talk to, when we explain the risks of investing, they're like, oh. That's it? That's not that bad. And so I often say women aren't risk averse.

We're just risk aware. We like to take our money. We will invest it. But we just want to understand the parameters. We don't jump into the pool. We just want to understand the temperature of the pool. We want to know how deep it is, how wide it is. And once you give us those three pieces of information, we'll jump in quite happily. In general, and I am generalizing, men, in general, invest by jumping in and figuring it out as they go.

It doesn't say-- it doesn't mean one is better or worse. But it doesn't mean that one group of people are better investors than the others. SHILPA MANIAR: Yeah. And you know, I think the risk-aware piece of it, whether it's women or it's a character trait, I think is really important when it comes to being intentional in investing. And one of the things you talked about is it's the knowledge. And it's the more confidence women have or minorities have then they're more likely to invest.

In your book, you often
refer to this term called investor in training. That you said that if you call
yourself an investor in training or you call yourself
an investor, then people will believe
you are an investor. And you're more likely
to build confidence. So of course, using Google-- I didn't look at Fidelity. I don't know if Fidelity
did a report on this. But Google, I searched. I was looking at stats to
say, like, how confident are women in investing?

Like what does the stock
market ecosystem look like? And it said that
only 28% of women globally are actually
confident when it comes to investing in the market. And then I was like, well, the
US must be different, right? Because I'm sorry. I have a bias to it. But I'm like, the US,
maybe it's different. And so the US was
only 41% of women who felt confident in investing. And so what do you think
the common misconceptions?

You talked about a few. But in your book, you
talk about five very well. Can you break us down the
misconceptions of investing? And how can we overcome those? SIMRAN KAUR: Absolutely. It's funny. I read
the same Google study. And one of the things that kept
coming up is women consistently would rate themselves lower
in their financial literacy and their confidence. And yet, when women do invest-- not that it's a competition--
but we are better than our male counterparts.

When we invest, women return
0.4% to 1% better gains each year. You might think, oh,
Simran, that's not a lot. But imagine that compounding
every single year. That really adds up. So the data shows that we
are great investors when we put our money to work. Once we choose to invest,
we do it phenomenally. And yet, we still don't
believe in ourselves. And that's really
interesting to me. But the main myths, when
it comes to investing, these are things that
I believed myself.

The first one is I'll
invest when I have money. I was talking to

someone last week. She was a founder. And she said, when my company makes all its cash and I exit and I have $20 million, that's when I'll start investing. And I was like, no. Investing is the way that you get wealth. It's not what you do once you have wealth. And now with fractional shares, which is just a fancy way of saying you can buy a little bit of a stock or a share.

You don't have to put all the money down. If one share is $1,000, which is a lot of money, you can buy $10 of that share. You just own a little percentage of it. So now it's easier to invest with a very small amount. The second misconception that comes across quite often is that investing is like gambling. And I've heard that a lot. And you probably know someone in your life. And if you say, hey, I'm about to invest, they'll be like my uncle's brother's son lost so much money in the share market.

And oftentimes, when I hear that, I take a deep breath. And I ask two questions. I say, what did they invest in? And when did they sell those shares? And suddenly, you uncover that they invested in two very high-risk stocks instead of spreading it across and diversifying. And they didn't listen to their financial advisor who said, don't sell. Yes, the market is low. Yes, it's 2008. But just hold on to it. The market will come back up.

But if you sell now, you are solidifying your losses. Did they listen to their financial advisor? And did they diversify? Oh. They didn't? How surprising. Of course, it's going to be a little bit risky. And probably the third most common misconception, when it comes to investing, that we see time and time again is that investing is really, really hard, that it's too difficult to understand, that it's not for people like me. But the truth is we live in a world now where there are calculators.

And they're online. And you can put numbers in. And it tells you what to do. And it just isn't something that

you need an Excel spreadsheet for. You don't have to be looking in
front of five different screens in the morning. It's not like Wolf
of Wall Street. I promise you. It's not like The Big Short. I grew up thinking that
that's what investing was. Investing should be as
exciting as watching paint dry on the wall.

SHILPA MANIAR: You know, it's
as paint dry on the wall. As exciting as that? SIMRAN KAUR: It
should be boring. SHILPA MANIAR: Oh,
it should be boring. OK. Because I'm like, interesting. I don't know if I
thought it was exciting. But yeah, I think that, when you
talk about the financial world and you talk about the jargon,
I remember feeling that way. I used to do internships
on trading floors. And I remember, one
day, I was at UBS.

And everyone had multiple
screens in front of them. And I was like, let me miss
the train as much as I can, so I never have to go to work. And I often did. I ended up in New Haven. And I was like, oh, guess
I'm not going to Stanford to the trading floor. But I think that jargon
that, once you go over that, I think that you
feel like you're able to just start committing
a little bit amount of money and start actually learning
and learning more as you play.

So now that we've kind
of gone through some of those misconceptions,
how would you define-- and hopefully, the
audience feels comfortable a little bit with now overcoming
some of those obstacles of, OK, I'm going to
understand the jargon. I'm going to go beyond that. What is a healthy portfolio? Like what's the distribution
between bonds, stocks, ETFs? Because after reading your
book, I literally was like, you kept talking about
the value of Birkins. And I was like, I
think I'm just going to buy a bunch of purses
as alternative investments because of the 14.2% return.

But how would you define
a healthy portfolio? And how should people look at
their bond, stock, ETF ratios? SIMRAN KAUR: That

is a good question. And I do have a weird
obsession with Birkins. It does show in the book,
which is, yeah, in hindsight, maybe I shouldn't
have done that. SHILPA MANIAR: No. But actually, I appreciated it
because it made it relatable. Because I'm like it's
desirable for some, right? I think everyone has
different values in how they want to spend money.

But no. I actually-- I enjoyed that. SIMRAN KAUR: I'm glad. And in terms of if you're
sitting here and going, OK, investing is
starting to make sense. Maybe it's not as scary. But, Simran, how do
I make a portfolio? And what does a healthy
portfolio look like? Portfolios are made of lots
of different-- think of it like a pie. And everyone's pie usually
involves the same things but different percentages. So everyone might
have some shares. Everyone might have some
funds, whether they're exchange-traded funds, ETFs, or
index funds, or mutual funds.

There's many different types. You can also have
something called bonds. And then you can have
commodities like Birkin bags. You can have-- why not? You can have things that
sort of all come together. Real estate, gold, there's
lots of different things that you can put
together in your pie. And everyone has their own pie. But what are all these
different things? Especially, what are bonds? What are stocks? And what are funds? I like to think of creating your
investing portfolio a little bit like if you were creating a
group of friends in your life.

And you need different types of
friends for different purposes. You need the fun party friend
that is going to be spontaneous and is going to
call you at 8 PM. And she's going to be like,
do you want to go out tonight? And you're like,
it's 8 PM, But maybe. And so-- SHILPA MANIAR: I probably
would be that friend. SIMRAN KAUR: And we need
friends like this in our lives because they're going to
be a little bit more risky.

But there might be more reward. It might go really poorly. You might have a terrible night. Or you might have a

lot of fun. And those are stocks. Stocks are a little
bit more risky. They can go up and down more. But you need a
little bit of them. Then you have your friends that
you know that friend group that only hang out in a group and you
can never spend time with them individually? That's what funds are like.

The friend group is
really important. Because that group
are always going to have at least five or
six different people, which means that if
someone's low energy and someone's high energy,
you're going to balance out. You can trust that there's
lots of different people in this group. So there's a bit
more diversification. You know you're going to have
a good time, probably not a crazy night, but a good time. And funds are just
baskets filled with lots of different shares
of different companies.

And we really like funds. Because rather than
trying to pick and choose different companies, they're
all in a basket for you. And so you can buy a share or
a little piece of that basket. Let's say you have $1,000,
and you put it into a fund. Let's say a fund like a
broad market index fund, like an S&P 500 fund. That's the top 500
companies in the US. And if you put $1,000
into that, your $1,000 is spread across 500 companies.

That's pretty awesome. Because imagine if it was
COVID and you had just invested in airline
shares and hotel shares. You would not be very happy. But what if you had
invested in a startup that you'd kind of heard
of and it was taking off and it was called Zoom? You'd be really happy. But if you invested in a
fund, some of those airline shares that you had went down. But some of those tech
shares that you had went up.

And so that helps
balance things out. And then you've got
your boring friend. SHILPA MANIAR: Who
has boring friends? SIMRAN KAUR: Me. You have your boring friend. It's probably me. And your boring friend
doesn't really go out much. They're kind of a

bit of a bookworm. They're a bit quiet. But in times of
need, they suddenly come out with
really good advice. And you're like, wait. When did you talk? But also, this is
really helpful. Thank you.

And they save you in
those trying times. And that's what bonds are. Bonds are just another
form of investment. They're a lot lower
risk than stocks, a lot lower risk than funds. But they also have
lower returns. Maybe they'll
return you 2% to 3%. Funds usually return
around 7% annually. And shares can range
from in the negatives to really high returns. We've seen some really high
returns this year, for example. But all that to say, in
your friendship group, you don't just want bonds.

You don't just want
boring friends. You don't want just want stocks. That would tire you out. But you want a little
bit of everything. And how do you determine how
many friends of each category you want? Well, it depends on
your risk profile and also depends on
your age and your goals. So it can get a little
bit complicated. But maybe someone
in their 20s who is investing for the
goal of having money when they retire at 65, she
might probably have something like 50% of her money
in funds, maybe even 60%, maybe 20% in bonds.

Maybe she'll keep a
little bit of cash, maybe a bit in real estate. But that's how she
might structure it. Maybe someone
that's in their 50s is like, hey, I'm
going to retire soon. I don't want too much
of my money fluctuating. I'm going to have 60% or 70%
of my money in bonds only and the rest in funds. So it really depends on your
life stage, your risk tolerance, and what you're investing for. SHILPA MANIAR:
Thank you for that.

You know? And you read my next question. So I was going to talk a
little bit about risk there. But I think one of the things
that you actually gave me advice on, you said think about

the distribution between bonds and stocks or bonds
and equity, whatever, however you want
to think about it, but bonds and stocks
is by your age. So if you're 20, you said you
should have 20% in bonds and 80% in equities or some type
of alternative composition.

Because you said you're
able to take the risk. And I thought that was
really interesting. Because if you think about a lot
of 401(k) and retirement plans, they kind of send you
up in these target funds that have that type
of distribution of a 20/80. And then when you're in
your 30s, maybe a 30/70. Let's see how much
I can do math, guys. But like I thought that
was a really good analogy. SIMRAN KAUR: Yes. Thank you.

It's just for those that didn't
understand what that was trying to decipher is if you're
like, hey, look, I hear you, but just give me
the simple answer. Whatever decade you're
in, that is perhaps an indication of how much
you should allocate to bonds. So if you're in your 20s, 20%
bonds, oh my god, 80% stocks. Wow. It is hard on stage. And then if you're in your 40s,
maybe 40% bonds, 60% stocks. So that's another way
of simplifying it.

SHILPA MANIAR: And so
you know, now that we have different variations
of how we can be, whether we can be
bullish and say we're going to go all
in on certain equities or we're going to not do
it, is there a good time? Like when do you know, I'm
going to start investing today or I'm going to
wait till next week? Like can you actually
time the market? What's your thoughts on that? SIMRAN KAUR: I
would love to share an analogy of three people.

One person, let's
call her Sally. Sally times the
market perfectly. And what she does is

she puts, let's say, like $200, $300 away
every single month in an online savings
account that returns maybe like 3% per year. And she times the market. And she invests in the absolute best possible time. And she invests in the four best days of the market. So when the market is at its bottom, she invests four best days over the last 40 years.

And let's say the second person's name is Sarah. And Sarah has the world's worst timing. Does the same thing, saves money up in a savings account, about 3%. And Sarah happens to invest in the four worst days of the market where the shares are at the highest point. So she's bought things that are really, really expensive. And let's say the last person is called Simran. And Simran decides to invest the same amount of money, $300 per month.

And she just invests it in the market every single month. She doesn't wait to time the market. And she just does that for 40 years. Obviously, the person that had the worst timing in the market, she made the least amount of money. But who made more money? Was it Simran who put her money in every single month, didn't matter if it was going up or down, or the person that had the best timing over the last 40 years?

It was actually me. I made the most money. SHILPA MANIAR: I love telling stories where you win at the end. SIMRAN KAUR: Of course. SHILPA MANIAR: Those are the best stories. SIMRAN KAUR: Those are the only stories I tell. SHILPA MANIAR: Yeah. No. I'm with you on that. And so talking about winning, talking about gamification, talking about trends, like we all lived through this GameStop Reddit phenomenon. And we watched-- there's a documentary on Netflix, I believe, about GameStop.

So how do you feel about trends? How do you hedge some of these trends? How do you-- what do you feel about the S&P 500 and different types of funds that exist? Like what are some tips that you have? So I guess a few questions there. One is, trends and gamification, what's your perspective on that? And then the second thing is, if you could pick three very simple funds and say this is a pretty safe bet, like what would you recommend?

SIMRAN KAUR: I think trying to tell people to not follow trends is like trying to ask a child to not eat a cookie in front of them. It is good in theory. And I can say, ignore the trends. They come and go. And you're going to be like, OK. And then we're all going to leave here. And you're going to see on the news, so and so company is going up 300%. And you're going to be like, I could put a little bit of money into it.

SHILPA MANIAR: That sounds good. SIMRAN KAUR: So realistically, what I like to do is I say to myself, 90% of my money is actually kept in long-term investments in funds that are diversified. But 10% of my portfolio is for me to, I guess, scratch an itch, if you can call it that. And that is where I don't mind investing in things that I think are going to do well. We call that speculative investing, investing in perhaps trends or companies.

You've done research. And you're like, maybe this is going to do really well. Oftentimes, the word of advice, not just from myself but like any investor, is ignore the trends. Because trends come and go. And the companies that you want to be investing in are the kinds of companies that you would buy the entire company for. So let's say company X. If you wanted to buy a share of company X, imagine yourself saying, I am buying this entire company.

Would I buy this entire company based off a trend? Or would I buy this entire company based off a trend? But also, they have really good fundamentals. And I see them doing well over the next five, 10 years. And I'm holding them for long term. That's how you

should be investing. And that way,
trends come and go. But at least, you're
holding on to a company that has really, really
good long-term benefits because you're
putting in the work.

And you're treating
it like something-- you're treating it like
a long-term friendship that you're going to have
for a while as opposed to something a bit shorter. SHILPA MANIAR: So how's
your friendship with Google? SIMRAN KAUR: I love Google. SHILPA MANIAR: You love it? So one of the things that we've
been talking a lot about here just in the tech world and
given the volatility in the tech climate just this past
couple years, I'd say, what's your stance on when your
employer pays compensation, gives you a proportion of
equity as well as salary?

What's your perspective of
how much of that position should you be holding in
your total compensation? Like should you
hold that position? Should you sell it? Like what's your thoughts? Because I think a lot of folks
are concerned about reduction in forces in the tech ecosystem. SIMRAN KAUR: This is
really common, especially in tech workforces, especially
in these kind of roles. And it's quite interesting. Because it starts to become
an emotional decision. And any kind of investing
that is done with emotions is actually not a
good way to begin.

But sometimes when
we own shares that are given from our
employer, there's more of a connection to that
than shares from something else. Because you start asking
yourself questions like, well, do I believe
in this company? Do I like this company? Would I be hypocritical
to sell shares? Is that me saying that I don't
believe in the work that we do? And so it gets
quite complicated. And we have a lot of people
asking us those kinds of questions on the podcast.

Would I offend my manager

if I sold my shares? But it comes down to two things. The first is that
you are allowed to do what you want with your money. And it should not and will
not affect your employment. So we get that out of the way. And we shouldn't make
decisions based on that. And the second
thing is sometimes it's a really good idea to hold
on to these kinds of shares. Oftentimes, either you
get them at a discount, or you get them as
part of your package.

What we often say,
though, is it's important to have
diversification. So if all of your
investment portfolio is tied up to the company
shares that you have, maybe that's not the best thing. And maybe you might want to
consider drawing it down. Maybe you only have 10% of your
portfolio allocated to that. Or if you say, no. I'm really bullish
on where I work. And I think it's fantastic. And I'm happy to have a lot
of my money tied up here.

That's fantastic. But diversification
and just making sure that you're doing something
based on what you want to do and not what you're scared
to do is really helpful. And it's really important to
remember that most employers do have resources where you
can go to them and ask them, what should I do about
my company equity? They're going to tell
you in an unbiased way. And I think sometimes we forget
that those options exist.

SHILPA MANIAR: Yeah. Thank you. Yeah, I think that's important,
the emotional attachment that you can have or build
up with either a company that you work with because you
do spend a lot of time there or balancing that
emotional investment, even if you think about
a specific commodity or equity or company or fund. So you know, skipping
gears a little bit into wellness, so
like how do you manage your anxiety or your
emotional wellbeing when you're investing pretty proactively?

SIMRAN KAUR: How do
I manage my anxiety? I think-- I really looked

into the distance there. SHILPA MANIAR: Just when you look at your portfolio and you see the ups and downs, like how do you manage that? How do you stay like, I'm going to be an observer and not going to be reactive here? SIMRAN KAUR: I think if you have a plan and you have the knowledge behind investing and you know how it works, there's actually no anxiety.

And so hear me out. Hear me out. What I mean by that is I know why I'm investing. So in my head, I'm like, hey, I'm investing until I'm 50. Because I don't want to work till I'm 65. That's the goal. So I know my time horizon. I know what I'm investing in. I just realized I didn't answer an earlier question. But there's three funds that I like to invest in. And one of them is a broad-m market index fund that invests in US companies.

One is a broad-market fund that invests internationally, excluding US companies. And one is a fund that invests in bonds. And so now I know where I'm putting my money every single month. So I'm not worried about where I'm putting it. And because I know that, historically, what I'm investing in is diversified, I'm investing every single month. Yes, there are ups and downs in the market. But over time, at least in the past, over the last 42 years, if you've invested in broad-m market index funds like the S&P 500 in the long term, there's ups and downs.

So you might have a bit of a dip from the Gulf War. You might have a bit of a dip from the Korean War. And then when we have elections, things go up and down. And we had the GFC. We also had COVID. So there's these dips. But the overall trend has, at least in the past, been upwards. Now, that's not to say that past performance guarantees future success. But what that tells me is, if the top 500 companies in the US all collapse, we have bigger problems.

And I don't have to
worry about my portfolio because it's doomsday. And I'm probably
just trying to find a bunker in the bottom of
New Zealand to hide under. So what I find is when
I know why I'm investing and I know how
much I'm investing and I know what
I'm investing in, all this knowledge is
what keeps me calm. SHILPA MANIAR: Yeah. I think that you
said it so well. And I think that we all need
to process that and make sure that we embody that when we're
going through our investment journeys.

And you talked a little
bit about somewhat of an ethical investor
of being intentional. And so can you talk about
the four different personas and the different profiles
that investors have? Because of course, there's
a predominant investor that's pretty savvy. There's the expert. But there's the female investor. There is an ethical investor. There's a lazy investor as
well as, I think you called it, a spicy investor. And I'd like to
consider myself probably like the female combination
of female and spicy.

Because I do like to take risks. SIMRAN KAUR: You are spicy. SHILPA MANIAR: Thank you. And so can you give
one or two tips? Kind of describe each persona
as you do in your book and give one or two tips
for each type of investor. SIMRAN KAUR: Of course. So there's the four
investing sort of types that I wanted to come
up with just help to break down different
ways of putting your money in the market.

Because people will often
say, OK, I get it, Simran. I'll invest. But I just feel
like, where do I fit? Or how do I find myself? The female investor is
basically an investor. You don't have to be a woman. But you're someone that
kind of puts their money, same amount of money every
month into the same investments. You're not checking
your portfolio. Studies find that
women, on average, check their portfolio two
to three times a week.

Men, on average, check their
portfolio five times a week, Monday to Friday. And they found-- studies found that the more you check your portfolio, the worse you actually do. Because you're more likely to doubt yourself. Female investors are also less likely to move their investments. So once you buy something, studies find that if you buy, let's say, company A, and then you're like, wait. Actually, company B is doing better. Let me move my money into that.

That moving of money is
actually not the best strategy. Because what they found, over time, is your first investment actually statistically outperforms the second investment. It's like when you do a multiple choice test at school. And you're like, the answer is A. And you sit and you wait and you're like, no, no, no, no, no. It's B. And it ends up being A. And you're like, I just wish I had stuck with my first one. So female investors are just-- it's more of an investing strategy.

And it's actually what
Warren Buffett does. And when Warren Buffett, who is a famous investor, was asked, Do you invest like a girl? he actually said, yes. He was like, this is the investment style I use. And it's actually associated with the way women tend to invest. Now, the second investing style is the ethical investor. And this is someone that says, hey, I want my money to work for me. And I also want to invest in things I really care about.

So maybe it's clean energy. Maybe it's investing in female-founded companies or investing in companies where there's a 50/50 split based on gender, race. There's all these different categories. And an ethical investor is someone that goes, you know what? I think I can make my money work. And I also think I can make really good returns. There used to be a misconception that ethical investing was like a woo-woo way of investing or that you were a tree hugger.

But what they found-- and they would often
say, well, like, you want to invest ethically? You can't be an ethical
investor and make money. But a Morningstar study looked
at about 7,000 normal funds and 400-500 ethical funds. And they found that the ethical
funds did just as well or better than the other funds. So you make more money
as an ethical investor, which kind of makes sense. Because if a company
cares about its employees, makes good products, cares
about sustainability, gives everyone time
off, those people are going to work better
and be more productive and make better products.

And their customers are going
to want to support them more. So of course, from an
economical standpoint, they're going to do well. SHILPA MANIAR: And I think
part of the ethical investing, the wins that we're seeing
now is a generational change as well. So I think the investing
climate is changing, right, where people are being more
intentional about caring about the sustainability
of the company or how ethical they're
actually behaving. And so I think that it's
an interesting shift in the ecosystem.

SIMRAN KAUR: It's an
interesting shift. And it also is so powerful. Because isn't it so cool that
you can vote with your money when you invest? And you can say, I really like
what this company is doing. So I'm going to
put my money here. Because companies really care
about where their shareholders are investing. And they really care about where
people are spending their money. It matters to them. And so now you have a voice. Even if it's $10 a
month or $20 a month, that is a substantial
amount of money that can slowly cause change.

I always love to use the
example of cruelty-free makeup. Because when we were younger,
all makeup had cruelty in it. Like it was just they were
like, yeah, of course, we have to put
lipstick on rabbits. Who else are we
going to test it on? And we were all like, OK. I guess I'll still
buy this lipstick. And then, suddenly,
consumers, especially Gen Z, they were like, no. I will not buy my makeup
if it is tested on animals.

And then somehow, one
day, every single company that made lipstick was
like, we are cruelty free. We are vegan. We are this. We do that. And so consumer
behavior or groups of people saying this
is what I believe in can actually cause
companies to change. And it is no different
in the investing space. SHILPA MANIAR: Do we-- we caught all four of them? You said you spoke
about the ethical. I was-- you know what? To be honest, we got a timer.

I was having a little
anxiety up here because I didn't know what time it was. But I could talk to you all day. And I think that one of the
things like you talked about was the four different
types of profiles. And one of the--
as I was debating between how much
time we had left, and you said something that
really sparked a chord with me was Warren Buffett said, I
want to invest like a girl.

And that-- and I think we need. And I think it's
Women's History Month. And I think it's such
an important time for us to be saying that
that should be a good thing. He's going to think like a girl. And it's not where we would
think maybe it was diminishing but really make it a
powerful statement. And I think that's what
Girls That Invest is doing is it's making it cool to be a
female investor or a girl that invests.

Yeah. Kudos to all the women that
are financially independent. I think it's super important. And it's a cool thing. Let's make Warren Buffett
and every other stale, male, and pale individual say that
I'm going to invest like a girl. And I'm cool. And I am making money. And I think that's where we want
to leave the community with. And with that, we'd like to
open the floor for questions. Because I can ask
her a thousand. And so we do have
microphones on the floor.

So just make sure
you say your name. And if you can go to the
microphone, that would be great. SIMRAN KAUR: Wow. We really sped through
that time wise. I kept talking. SHILPA MANIAR: We did. It was-- I've learned

so much from you. And thank you for that. Is the microphone on? AUDIENCE: Yep. Yeah, it's on. OK, great. Thanks so much for being here,
Simran and, of course, Shilpa. At the beginning
of the talk, you mentioned you're an LP
for a number of VCs.

Given we're in New York
City, we work in tech and are surrounded by amazing
and exciting entrepreneurs, how do you weigh the cost of
capital considerations making riskier, illiquid,
private investments versus public investments,
given the still attractive public market valuations
versus private valuations? SIMRAN KAUR: That's
a good question. I think it comes down
to understanding why you're investing, understanding
your risk tolerance-- and as you said, investing in
private markets is a lot more risky-- and understanding what
you want out of it.

Because if I can say, look, I
just want my money when I'm 50. And what I'm investing now, I
don't need it at this stage. I'm not trying to have a-- I'm not trying to have
a certain lifestyle. Then for me, that
means that I allocate a small portion to putting my
money into private companies. Private companies are fantastic. Private markets are amazing. But at the same time, a lot
of them do really poorly. And if you actually look at
what things like hedge funds do or how well they perform, there
was a study that was done.

Or not a study. Warren Buffett made
a little challenge. And he said, I believe that
index funds are actually much better investments
than hedge funds. And everyone was
like, OK, Warren. And one hedge fund was
stupid enough to say, we're going to take
you up on this bet. And we're going to
see over 10 years-- I think it was 2007,
I think, to 2017. And they said, over
a 10-year period, let's see what returns better,
investing in the S&P 500 or investing in our hedge fund.

And over the 10-year period,
guess who made more returns. The S&P 500, a passive index
fund with a fee of 0.06%. Hedge funds take 20%, just
to put it into perspective. So I hope that
answers your question. But allocation wise,
at the end of the day, it's your risk of what
you're comfortable with. The fees matter and also how
long you want to invest for. AUDIENCE: Thank you.

AUDIENCE: Hi, Simran. Thank you so much for your book. I really enjoyed it. And I learned that I'm
a very lazy investor. And because of that,
I've seen a trend where people are tracking
politicians and US Congress investments. And I'm thinking. I'm just wondering, what
are your thoughts on that? SIMRAN KAUR: Oh, like
Nancy's investment portfolio. AUDIENCE: Exactly. Yes. SIMRAN KAUR: So for those
that don't know what that means, a lot
of US politicians-- US politicians are allowed to
invest in the share market.

And that's actually
up for debate. Because some people
are like, hey, but they might know
what's coming up next. So they might be
able to say, well, because of this policy
that's going to come out, this is going to change what's
happening in this investment. So let me buy more
shares or sell shares. And we call that, I guess,
a form of insider trading. What are my opinions on it? I guess I really don't care. I guess maybe they
shouldn't do that.

But at the end of the day,
a lot of what they share and what they invest in, they
have to make public information. So sometimes people will
watch what someone like Nancy is investing in and actually
copy it and do well. So on one hand, should
they be allowed to? Probably not. On the other hand,
it's also something you can watch with
what they're doing. But that involves a lot
of active investing. And as we've learned,
active investing isn't always the best way
to grow money long term.

It's more like
investing in trends. AUDIENCE: Thank you. SHILPA MANIAR:
Thank you so much. So we did have also some
questions from people who are on the live stream. So we do want to make sure
we get to those as well. So Karen has asked, what
are three top-- what are the top three financial
planning pitfalls that you often hear or see from folks
you've advised in the past, especially those working
in the tech industry? SIMRAN KAUR: I think
the first pitfall that I see is often people
saying, well, you know, I'm in-- I have company A's shares.

And company A has done
really, really well. Should I sell those shares now? Or when am I meant
to sell those shares? And oftentimes, the best
time to sell your shares is when you reach
your investment goal and not when the shares
have done really well. So that's number one. The second thing that we come
across a lot in our community is people will say, I just cannot
figure out which fund to put my money into.

There's SPY, which is
Spyder's S&P 500 fund. That's one of the world's
most popular funds. There's VOO, which is
Vanguard's equivalent, which just has slightly cheaper
fees but does the same thing. There's VTI, which is
another Vanguard fund that invests in the entire US market,
so all publicly traded companies rather than the top 500. And then the list goes on. And then there's hundreds and
hundreds and hundreds more of these. And a lot of people get
analysis paralysis, especially people in tech.

Because usually, people in
tech are quite intelligent. And intelligent people suffer
from analysis paralysis more than any other
group of people because you have
more data points. And you consider the
pros and cons a lot more. And you can see all the
things that can go right and all the things can go wrong. And by the time you're
done reading the list, four months have gone by. And you still haven't invested. And so we find analysis
paralysis is a huge pitfall.

Sometimes it's OK
just to get started. Because at least
when you get started, you can learn on the go. And the third pitfall that
we see a lot of people make is that they feel that investing
is just too risky for them as opposed to this idea
that investment risk is like a spectrum. And on one hand, you have very
low-risk investment styles like bonds and funds. And then you've got
individual companies. And then you've
got growth stocks.

And then you've got things
like crypto and NFTs. But it's a spectrum. And investing isn't
just that stuff. You can sort of sit
anywhere on the spectrum. And different types
of investors can have different risk profiles. And it's not all young
people on TikTok saying, I bought three shares and
I made like $1 million, because that's crazy. SHILPA MANIAR: Yeah. And maybe it's true for
some of those folks.

But I think that one
of the points you just made I think it just starts
somewhere in the spectrum. And as long as you're
in the spectrum, you're on the playground. So you're actually
doing something to make that money work
for you, even if you can't understand every single thing. Because I definitely am somebody
who does analysis paralysis. So I have to remind myself that. So we have a minute left. I want to take a question from
the Dory from the live stream.

And then we'll wrap,
if that sounds good. Everyone excited? Everyone excited
to throw some money at companies you
care about, maybe one you're sitting at right now? So Giselle from
Dublin, from Ireland, has a question around taxes. And so she says,
I live in Ireland. And taxes here are higher
for index fund capital gains. I guess index funds. Capital gains tax is 41%. In comparison with individual
stocks, capital gains at 33%.

How do you balance
risk versus tax cost when it comes to
adjusting your portfolio? SIMRAN KAUR: So

for Ireland, that is something that is
very specific to them and isn't an issue here. But basically, if you
try to invest in funds, you actually get
penalized than investing in individual companies. So what a lot of
Irish investors do is they basically create their
own funds by looking at what a fund invests in, maybe
like the top 10 companies in that fund.

And they'll just invest in
those individual companies and create their own
portfolios, so to speak. That's not an issue here. And thankfully, when you invest
in the US, one of the benefits is, if you invest for a long
time, the government is like, thank you. And they really like that. And you actually
get taxed less than if you're someone
that invests and sells and invest and sales
within a year's time. So if you're buying and selling
lots of different shares, you're considered a trader.

And the gains that you
make are considered income. So you-- let's say you
make $10,000 one year. That $10,000 is added to your
salary and taxed as salaries. If you make $100,000
that year in salary plus $10,000 from
trading, you get taxed as if you've made
$110,000 in salary. That's a lot. If you hold those investments
for at least a minimum of a year, you get taxed
at a different rate, either at 0%, 15%, or 20%.

And that's a lot better. And that's because the
government's like, hey, long-term investing,
we love that. And depending on your income
and if you're married or not, that's where you fall in. But long-term investing is not
just good for your portfolio. It's also good for your tax. SHILPA MANIAR: Well, thank
you for sharing that. And I think that tax is
important to consider. Because if money is working
hard for you, you do need to make sure that
you're giving back.

And I wanted to tie this back
to the fourth Jonas brother. Because we did talk about him. And I never told you who
he is or what he means. And so it went back to taxes. And so you talked about

the fourth Jonas brother being a blended fund because-- and I'll let you explain your view on him and blended funds and how it applies to tax. SIMRAN KAUR: So the reason I call blended funds the fourth Jonas brother is because it's often forgotten about.

Because did you know there's a fourth Jonas brother? I did not. But oftentimes, people will talk about, hey, like, I'm investing in a fund. And this fund is for capital gains. The shares go up in value over time. And that's fantastic. And other people are like, I really want to invest in dividends. And so I will invest in a dividend-based fund. And a dividend-based fund just means that the companies give you cash, cash flow for investing in their shares.

And that's fantastic. Now, blended funds let you do both. They let you invest in companies that are growing but also giving you a little bit of cash. And over time, those growth companies stabilize, start giving you dividends. And that's a slightly tax advantageous fund that you can use. But we don't share it enough. And it's something that I really, really consider you looking into and doing a little bit more research on. Because it really truly is the forgotten Jonas brother of the investing world.

SHILPA MANIAR: Yeah, but the secret power in a weird way. Yeah. So last question and then we'll wrap. And so I thought-- I wanted to close. Because your father said this. And you quoted him in your book. And I thought it was so profound and so encouraging. In your book, you quote your father saying, when you reach those financial goals-- and you will. He said, after you reach those financial goals, he said, do not forget to look back and realize how far you've come and make sure you also help others climb the ladder too.

And so hearing those encouraging words from your father, like, what does the future look like for you? What are you planning on doing next? SIMRAN KAUR: I don't think he expected to be quoted in my book when he said that. So I was glad I was able to share it. Going forward, I think it is so, so important to look at, one, how far you've come, but to make sure you are bringing other people along on the journey.

I really love the idea of lift as you climb. Because to be really good with money or to be an investor isn't something that you-- it's not knowledge that you should gate keep or keep for yourself. And I really encourage you to, after this talk, go and chat with your friends about investing whatever you know. Even if it's a little bit, share that with them. What are your money systems that you are using? What are you taking?

We do brunches a lot in New Zealand. I don't know if brunch culture is big here. SHILPA MANIAR: We have a brunch culture. SIMRAN KAUR: Do you? SHILPA MANIAR: It's a Sunday. Sunday, one day a week. No. But I think that's fair. I think we need to talk about it more. SIMRAN KAUR: Sit down. Call your friends. Have a dinner party with your girlfriends, your guy friends. Just sit down and say, let's all go around the table and share just one thing that we do with money that has really helped us.

And that could be someone being like, this is the 401(k) account that I use. Or this is why I use a Roth IRA over a 401(k). There are so many things that we just don't get taught. And it's weird. Everything else in the world has been easily accessible to learn. If wanted to learn how to change a tire, I can watch a YouTube video on that. And yet, when it comes to investing, that is still weirdly one of those things that, unless people in your circle are talking about it, you don't get access to it.

And so as you learn, bring other people along. Lift other people up. It is not fun being the only rich friend in the group. And for that reason alone, talk to your friends about investing. SHILPA MANIAR: And on that note, thank you so much, Simran Kaur, for being with us at Talks at Google. [MUSIC PLAYING]