

She made \$13,000 grow into \$2.6m

US investor did it in two years, but it wasn't easy

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SOME women here dream of finding a rich husband who will pick up the tab for everything.

Not Ms Mirriam MacWilliams.

Although her husband was minting money – he sells luxury yachts – she wasn't prepared to depend on him financially.

Ms MacWilliams said her mother, who ran her own business in the fashion industry, influenced her thinking.

Ms MacWilliams, who has two sisters, said: "My mother raised us to have our own opinions and to rely on our own brains, have our own careers and make our own money."

Now 52, Ms MacWilliams, who lives in Miami, Florida, continues to invest her money and conducts training seminars on trading.

The New York native will be speaking at Savvy Diva, a seminar organised by AsiaOne next weekend.

The event, which is targeted at women, focuses on wealth and wellness.

Ms MacWilliams' take on Singaporean women?

That they are "assertive and on equal footing with men, but they tend to leave financial management and decisions to the men".

She added: "It is important for women to educate themselves on financial matters."

"If you have no training in how markets work, the way you trade is no different from gambling."

That's why she's counting on more women who are willing to learn to manage their own finances.

She noted: "The people who attend my seminars are mostly men. Women tend to be intimidated by financial matters."

She said she's been down that road too.

She's had her fair share of losses but managed to turn a starting capital of US\$10,000 (S\$13,000) into US\$2 million in just two years of trading in options.

She did this between 1996 and 1998.

Said Ms MacWilliams, who studied economics at university: "When you invest, you either profit or make a loss. My strategy is knowing when to cut my losses and exit."

Ms MacWilliams claims she has been able to make money every week from trading in futures and options.

But there were losses too.

Her strategy was derived through trial and

error, which resulted in her losing a fair amount of the nest egg she and her husband had saved for their retirement.

This was in 1995.

In 1994, she was a vice-president of investor relations in a US company.

She was earning US\$120,000 annually and also enjoyed generous yearly bonuses, medical and insurance coverage.

Ms MacWilliams recalled: "I had a good job, but I realised I did not want a routine life of sitting in peak hour traffic and going in to the office every day."

"I realised that no matter how many hours I worked, I was never going to make more money than my boss."

So she decided to find other ways of generating income while continuing in her job.

Trading seminars

She spent about US\$32,000 attending training seminars on how to invest in the stock market.

Said Ms MacWilliams: "I learnt different strategies. But I found that none of that worked for me."

By 1995, her attempts at trading in stocks resulted in a five-figure loss.

"I realised the way I had traded was no different from gambling. I was using a wrong approach."

"When the stocks went down, I bought them thinking I was buying them at a bargain. When they went up, I sold to make a quick profit," she recalled.

For a year until mid-1996, she practised with virtual trading instead until she regained her confidence to invest real money.

Recalled Ms MacWilliams: "I was quite nervous, but I took US\$10,000 and invested in options. Then I went scuba diving in Papua New Guinea and New

Zealand."

Two weeks later, while in New Zealand, she called her broker who told her the money had grown to US\$18,000.

She had bought options in Internet firm Yahoo, among others.

Within the next two months, she made more than US\$75,000. By 1998, she had amassed US\$2 million.

However, Ms MacWilliams says: "There is no foolproof plan to trading. In any business, there will be highs and lows. You cannot be afraid to take a loss."

She has been giving talks in Hong Kong, Kuala Lumpur and Singapore since 2003 as a chief trainer with Wealth Mentors, a company which organises training seminars on finance and Internet marketing.



SAVVY INVESTOR: Ms Mirriam MacWilliams believes that it is important for women to educate themselves on financial matters.

No shortcuts to success

TURN US\$10,000 (S\$13,000) into US\$2 million over two years?

Not impossible but it is rare, says an investment analyst The New Paper on Sunday spoke to.

Mr Eric Teo, 36, said: "Options trading is not for everyone. For most people, it is better to keep your day job and your savings in the bank or invest in unit trusts."

"When you invest in the stock market, the upside may seem unlimited, but you can also stand to lose your entire capital."

Options are derivatives that expire with time.

The options on stocks derive their intrinsic value from the price of the stock and their extrinsic value from the amount of time before the option expiry.

Markets strategist Geoff Howie, 38, a senior vice-president in Singapore at MF Global Holdings Ltd, and a futures and options broker, believes that investing in options is no less risky than share investing.

Mr Howie said that for those who want to trade, education, planning and testing are imperative.

His advice to new traders is to take full responsibility for their trading and pursue products and strategies that they feel comfortable with.

Said Mr Howie: "Accredited investments advisers should be engaged before the processes to check that your financial health and experience are compatible with your trading objectives."

"The more baggage or commitments you carry, the more you need to consult these advisers. It is akin to checking your health with a general practitioner before starting a new exercise regime."

He said those who want to invest in options can expect a decent learning curve in learning about the market traded, your trading plan and your trading plan on the market traded.

In addition, you will also learn about yourself and your emotional capacity to manage risk.

Mr Howie said: "Trading is a business... Like in any business, there are success stories. There are also plenty of failed attempts."

"What a trader needs to consider is that this business, like any other, needs a plan, hard work and an element of personification so that the trader is comfortable with the responsibilities, risk undertaken and man-hours required."

"There are no shortcuts and remember, business can fail and failure should not be taken personally."