

**NTU INVESTMENT INTERACTIVE CLUB**



**NATIONAL CASHFLOW COMPETITION**

# **Game Rules**

## **Facilitator Version**

**18 Jan 2025**

## **Introduction**

Welcome to the **IIC Cashflow Game 2025**. This immersive and educational game is designed to mirror real-world financial dynamics and teach you the art of managing cash flow effectively. Through engaging gameplay, you'll gain firsthand experience with financial strategies, decision-making, and wealth accumulation—all in a risk-free, simulated environment.

The ultimate goal is to maximize your cash flow and build wealth. Along the way, you'll explore various income streams, make investment decisions, and navigate financial challenges to maximise your wealth within the game.

The game offers multiple routes to financial success. Will you focus on a high-paying career, day trade with stocks, build a business empire, or invest wisely in real estate? Each decision shapes your journey and outcomes. You will face scenarios where you must choose how to best allocate your resources, balance short-term needs against long-term goals, and take calculated risks to grow your wealth.

Are you ready to master the art of cash flow and build your wealth like never before? Let the game begin!

## **Game Overview**

The game offers many different systems and mechanics that interact with each other to provide an immersive and realistic experience. The systems are designed to reward good planning and management of resources, while still being relatively simple to understand. Moreover, certain aspects of the game have elements of player-to-player interaction.

## **Life Goal**

Players can choose between 3 life goals that align with their play style. Achieving the life goal will reward the player with bonus points.

### **1. *Wealth***

- Target: Accumulate at least **\$300k in total assets**.

### **2. *Career***

- Target: Reach **Skill Level 12** in the career path.

### **3. *Family***

- Target: Achieve the **Family** level in **Personal Life** progress

## **Accounts**

### **Savings Account:**

- **How to Fund:** Allocate a portion of your salary to the ***Savings***.
- **Growth Rate:** Earn an interest rate of 2.5% per round on the total amount in this account.
- **Purpose:** Used as the active balance of your cash purchases. Basically, or purchases will be deducted from here first.

### **Investment Account:**

- **How to Fund:** Allocate a portion of your salary to the ***Investment***.
- **Growth Rate:** Earn an interest rate of 4.5% per round on the total amount in this account.
- **Purpose:** To buy and sell stocks and is used as the reserve to the active balance of your cash purchases

### **CPF Account:**

- **How to Fund:** Automatically credited with 5.5% of your salary every round.
- **Growth Rate:** Earn an interest rate of 12% per round on the total amount in this account.
- **Purpose:** Acts as a forced savings account. The balance will be counted towards your total assets but cannot be used for any purchases.
- **Note:** Players will not be able to view their CPF balance as of this version of the game.

### **How does your balance work?**

Funds will be deducted from the ***Savings*** account first for every purchase made. If the ***Savings*** account does not have enough funds, the remaining amount will be deducted from the ***Investment*** account. Funds in the ***CPF*** account cannot be used for any purchases.

## **Investments**

Players can choose to invest in a range of stocks from different **Business Sectors**, each with its risk profile ranging from low-risk, stable stocks to high-risk stocks.

### **How does stock pricing work?**

The stock prices fluctuate every round based on the stock profile and are affected additionally by the **Economic Cycle** and **World Events**.

### **Environmental, Social, and Governance (ESG)**

Each stock comes with an ESG rating. Buying stocks with a higher ESG score will earn players ESG points. However, ESG stocks may yield slightly lower returns on average.

## **Loans and Debt**

Players may take loans and incur debt when making large purchases throughout the game. These loans help the player fund various assets within the game, especially during the early game. However, if borrowed irresponsibly will result in the player accumulating excessive debt and may lead to significant point penalties.

There are two main types of loans:

### **Asset Loan**

- Used for purchasing real estate or cars.
- **Borrow Requirement:** Total repayments per round after borrowing must not exceed **70%** of the player's **total earnings**.
- Repayments are deducted from the player's **Savings Account** each round if sufficient, if not the repayment will be delayed to the next round.

### **Business Loan**

- Used to start a business.
- No repayment requirements to borrow.
- **Profit Rule:** Business profits go toward loan repayment first.
- **Loss Rule:** Any business loss is added to the debt.

## **Budgeting**

When players earn income in the game via the various income streams, players are required to allocate their income to various budgeting categories, each serving a different utility.

### **Budget Categories**

- **Savings:** Allocate a portion to your **Savings Account**.
- **Investments:** Allocate funds to your **Investment Account**.
- **Recreational:** Spend on leisure activities to increase **Happiness**.
- **Self-Improvement:** Invest in Self-improvement to increase your **Skill Level**.
- **Daily Expenses:** There is a minimum percentage required for Daily Expenses that players must meet which covers basic living costs.

## **Game Tiles**

### **Education**

The Education Tile is your gateway to progressing through your career. By working on your education, you can increase your skill level and unlock higher-salary career options within your chosen career path.

#### **What Happens When You Land on an Education Tile?**

Players decide whether to improve their skill level.

Choose one of the following options:

- **Pursue a Degree:** Start with a Diploma. Once completed, it upgrades to a Bachelor's degree, then a Master's degree, and finally a PhD. Each level provides increasingly higher XP skill points but comes with greater costs.
- **Online Learning:** A more affordable option with moderate XP gain and fixed cost.
- **Skip Education:** No XP gain, but you save money for other priorities.

#### **Alternative ways to level up your skill level:**

- **Passive XP gain:** All players automatically gain 500 XP after every round.
- **Budgeting into Self-Improvement:** Players can invest in themselves to gain more XP skill points.

### **Career**

The game has various career paths such as **Marketing, Engineering, Medicine etc.** with different career progression options. At the start of the game, you will need to choose a starting job in one of the available career paths.

#### **What Happens When You Land on a Career Tile?**

Players decide whether to progress in their chosen career path.

Choose one of the following options:

- **Resign and change career paths:** Players can change to other career paths that align better with the player's in-game goals.
- **Progress your career:** Players can choose to progress in their current chosen career path, subject to the skill level requirements for that job.

#### **Career Progression**

As you level up your skill level, you may unlock further progression in your chosen career path. Different career paths have different starting salaries and different progression opportunities. Career paths with higher starting salaries are typically balanced out with fewer growth opportunities.

## Business

Apart from career, players may choose to start businesses as alternative income sources.

### What Happens When You Land on one of the Business Sector tiles?

Players can choose to start businesses depending on whether they have enough funds for the initial cost. To help players fund businesses in the early game, the game offers you to get a loan and go into **Business Debt** to provide you the capital to start the business. There is no limit to how many businesses a player can own in a sector. However, different players owning businesses in the same sector will result in **Competition**.

### Business Earnings

Business earnings are credited to the player as unbudgeted income every round, and the amount earned is affected by the **Economic Cycle** and **Market Trend**, which can be changed by triggering **World Events**.

### Revenue Growth

The base revenue of your business will slowly increase every round, and the rate at which it grows is affected by the **number of competitors** in the sector. The more the **competitors**, the lower the growth, up until the sector becomes **Saturated** at which point the business growth becomes stagnant.

### Research and Development (R&D)

The player can opt to invest in R&D during their turn for their business to accelerate growth and increase its base revenue. However, it comes at a steep cost with a risk of failure, resulting in the loss of the initial investment.

### Environmental, Social and Governance Rating (ESG)

Each business comes with an ESG score, which assesses the business' sustainability and ethical practices. A higher ESG score boosts the business' revenue due to more sustainable practices but comes at higher initial costs. However, the player's personal ESG score will also be increased.

During your turn, you may also opt to sell your business at a price based on its current valuation in that round.

## Asset

Players can purchase assets as alternative forms of investments. These investments may appreciate every round, or provide some form of utility to the player.

### What Happens When You Land on a Real Estate Tile?

- Players can choose from three property types: **HDB**, **Condo**, and **Bungalow**.
- **HDB**: Players must reach **Marriage** in their personal life to purchase.
- All real estate properties will appreciate in value after every round.
- Players can sell their property during their own turn to realize profits based on appreciation.
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### What Happens When You Land on a Car Tile?

- Players can choose from three car types: **Petrol**, **Hybrid**, and **Electric**.
- Different types of cars provide different **Happiness** and **ESG points** for the player.
- Purchasing a car also requires a **Certificate of Entitlement (COE)**, whose price increases for every subsequent ownership of a car by any player.
- Cars depreciate in value after every round.
- Players can sell cars in their own turn.

## Opportunity

Life presents us with unexpected opportunities that may help you or set you back in the game.

### What Happens When You Land on an Opportunity Tile?

Players will have to draw a card from the deck, which contains both good and bad opportunity cards.

**Good Cards:** May provide benefits such as a financial bonus or a boost in happiness.

**Bad Cards:** Can lead to setbacks like unexpected expenses or penalties.

## World Event

Players can trigger world events that will affect the market sentiment of a **Business Sector**, which will in turn affect the prices of the stocks in that sector and also the performance of a player-owned **Business** in that sector.

### What Happens When You Land on the World Event Tile?

Players will trigger a random world event that will affect every player in the game, each lasting **2 rounds**, or until the next **World Event** is triggered.



## Personal Life

Players can choose to invest in and progress their personal life to gain rewards or unlock new real estate options.

### What Happens When You Land on a Personal Life Tile?

Players can choose whether or not they want to pay some cash to progress and gain **Happiness**. Once players reach the **Marriage** stage, they will unlock the option to purchase a **HDB**.

## How to Win the Game?

To win the game, your final score will be calculated using the following formula. Players with higher score will win.

$$\text{Final Score} = (\text{Assets} \times \text{Happiness}) - \text{Debt Penalty} + \text{Life Goal Bonus} + \text{ESG Bonus}$$

Where:

- **Assets** is the total value of the player's assets (including **accounts, stock, real estate, car** and **businesses**).
- **Happiness** is the total value of the player's happiness.
- **Debt Penalty** is the penalty applied to the points due to the player's debt
- **Life Goal Bonus** is the fixed bonus score awarded when the player achieves their designated life goal.
- **ESG Bonus** is a team-based bonus based on the combined ESG efforts of all players on the team.