

Your financial journey

Because no two journeys are the same



Did you know?

Women have a lot to celebrate:

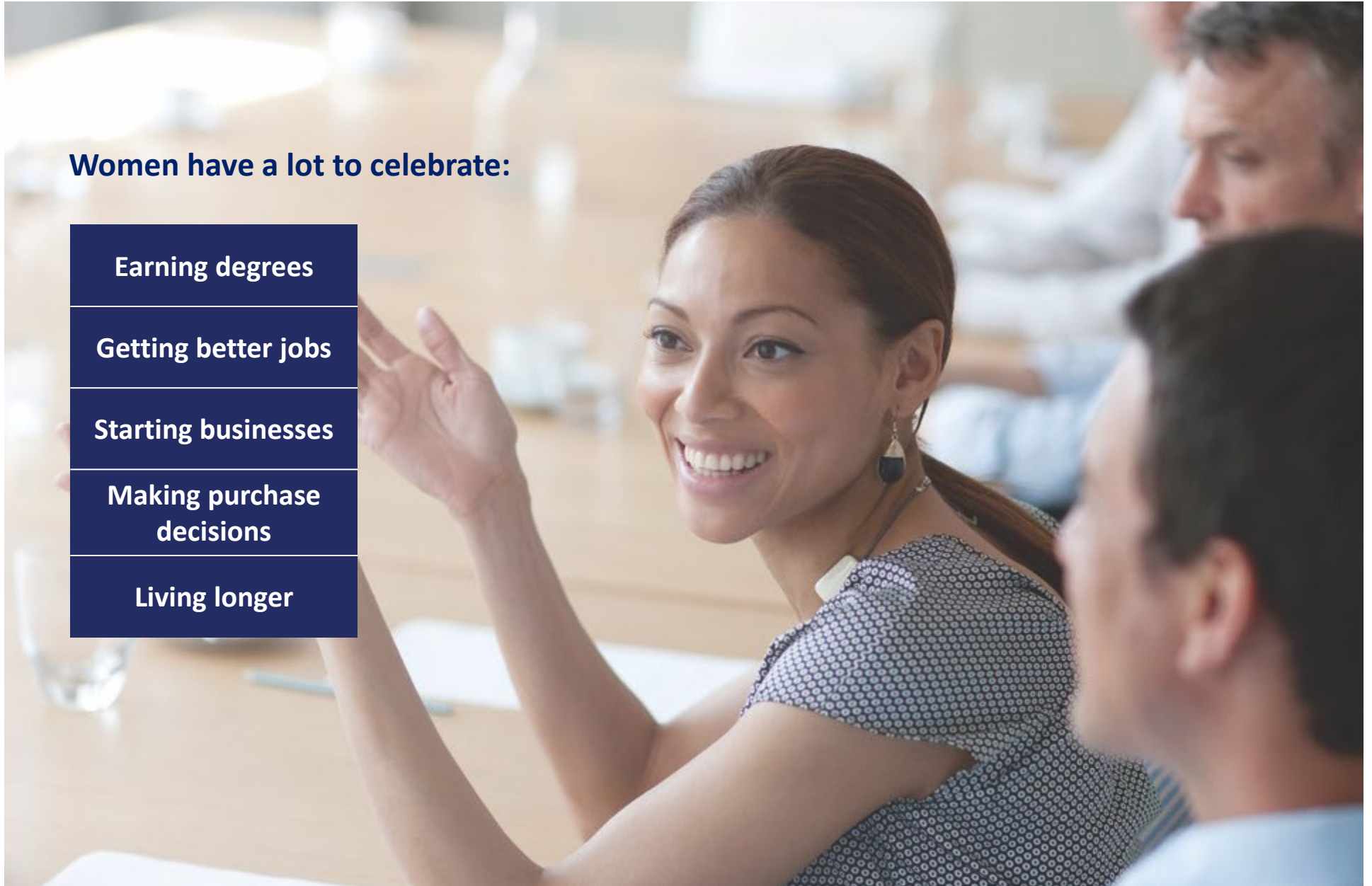
Earning degrees

Getting better jobs

Starting businesses

**Making purchase
decisions**

Living longer



Did you know?

Women have a lot to celebrate:



Women make up nearly
47%
of the total U.S. labor force¹

Almost
52%
are employed in management,
professional and related positions²

¹ Bureau of Labor Statistics, "Table 3: Employment Status of the Civilian Noninstitutional Population by Age, Sex, and Race," Current Population Survey, Household Data Annual Averages 2016 (2017).

² Bureau of Labor Statistics, "Table 11: Employed Persons by Detailed Occupation, Sex, Race, and Hispanic or Latino Ethnicity," Current Population Survey, Household Data Annual Averages 2016 (2017).

Did you know?

Women have a lot to celebrate:



Women are launching
1,072 net new businesses each day¹

4 times
The rate of males opening businesses¹

9 million
businesses are owned
by women in the U.S.¹

If women-owned business
were a country, they'd have the
fifth-largest GDP in the world¹

Did you know?

Women have a lot to celebrate:



POWER OF THE PURSE

Women make

85%

of U.S. consumer purchases¹



¹ 2019, Forbes

² 2019, Catalyst Research, "Workplaces that work for women"

Did you know?

Women have a lot to celebrate:



On average, women
outlive men by about

5 years¹



Women who reach age

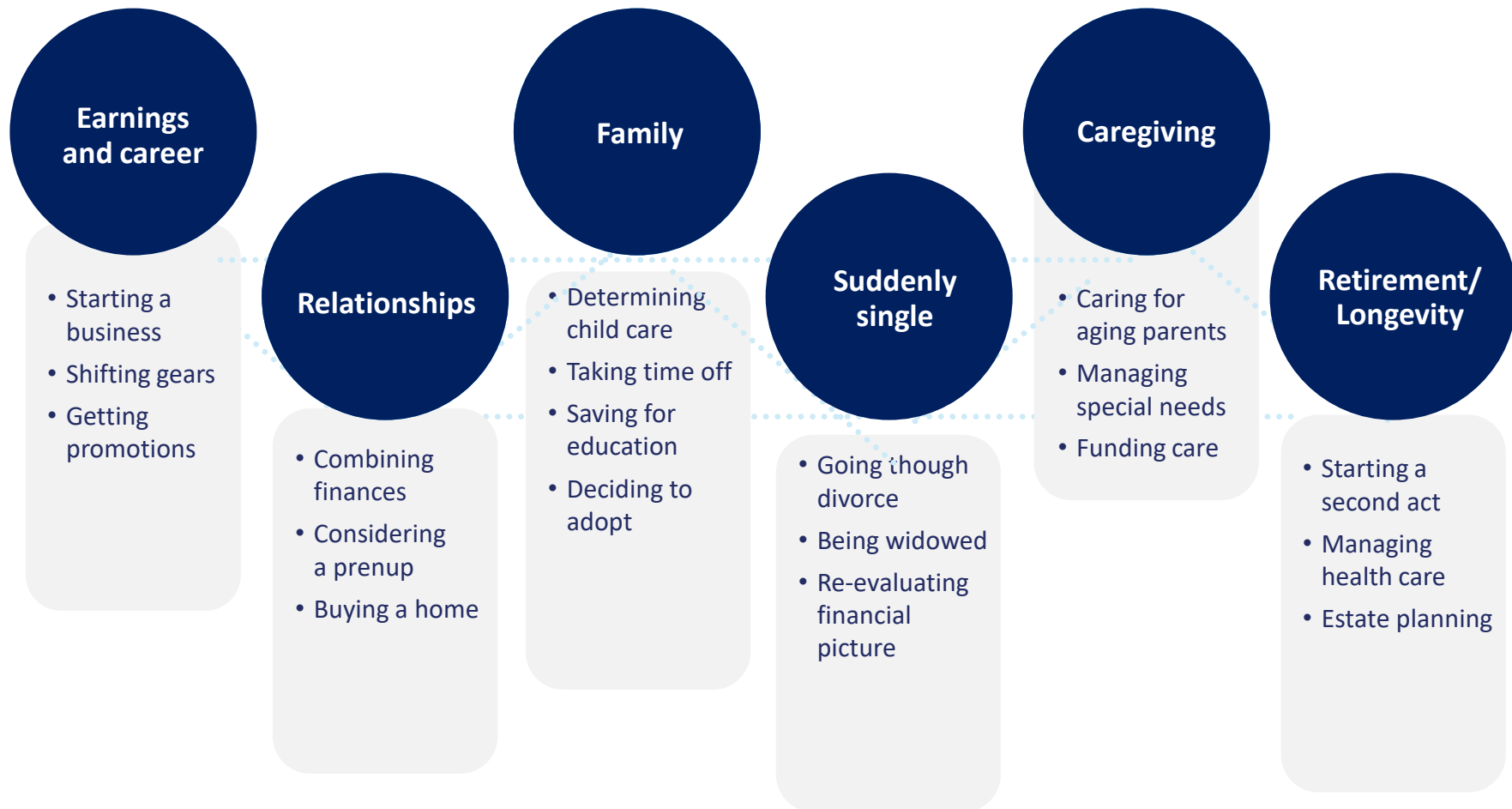
65 can expect to live, on average, nearly

22 more years²

¹ "Who Needs Care?" U.S. Department of Health & Human Services (LongTermCare.gov), November 2017.

² Calculators: Life Expectancy, Social Security Administration, November 2017.

Your financial journey



What matters most



Earnings and career

On average, women across ages and geographies still earn less over time than their male counterparts, about 80 cents for every \$1 in annual earnings.¹

That's a lifetime shortfall of more than \$300,000.



¹ *Women & Financial Wellness: Beyond the Bottom Line*, a Merrill Study conducted in partnership with Age Wave, April 2018)

Different careers and patterns of work may offer a variety of compensation:

- Salary
- Commissions or bonuses
- Group health and other insurance plans
- Tax-deferred savings opportunities
- Retirement plans and/or pensions

Take these into account when making career decisions.

Accumulating the assets necessary to live comfortably beyond your working years requires planning.

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Considerations

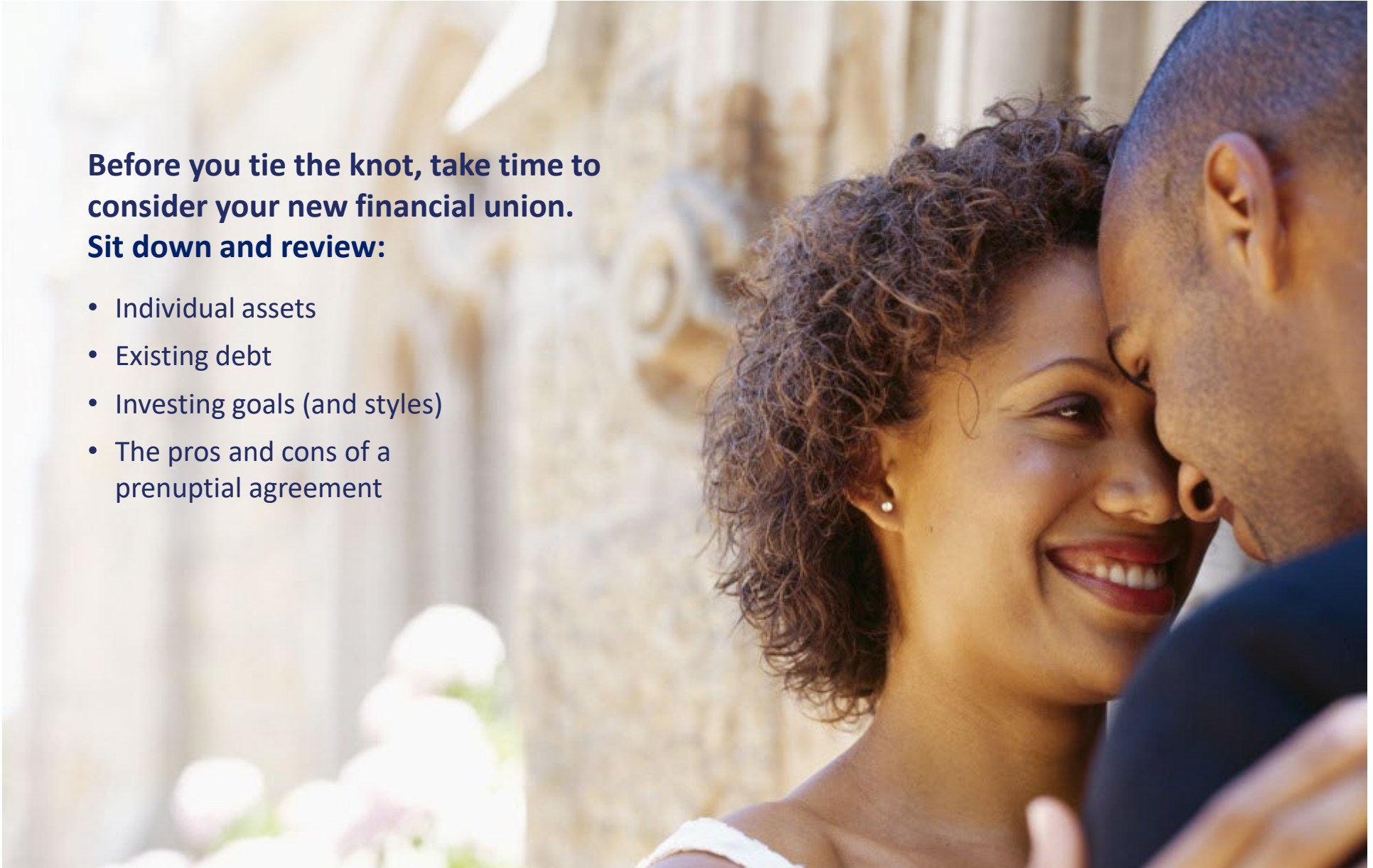
- When making career choices, review employer benefits.
- Look into funding an individual retirement account (IRA).
- Consider investment choices.

Money and marriage

Before you tie the knot, take time to consider your new financial union.

Sit down and review:

- Individual assets
- Existing debt
- Investing goals (and styles)
- The pros and cons of a prenuptial agreement



Money and marriage

It's important to keep the lines of communication open.

73%

of individuals' money management styles are different from their partner's.¹

75%

of women find talking about money “very important” vs. 67% of men.²

Couples who regularly talk about money say they are happier in their relationships than those who do so less frequently.²

¹ An Ameriprise study on couples and money: How couples manage their finances and develop successful financial relationships, Ameriprise Financial, Inc., Sept. 2016.

² TD Bank Love & Money Study, June 2015.

On your own terms

53%

of the unmarried population in
the US are women

Translates to:

58 million

women

US Census Bureau (2016)



On your own terms

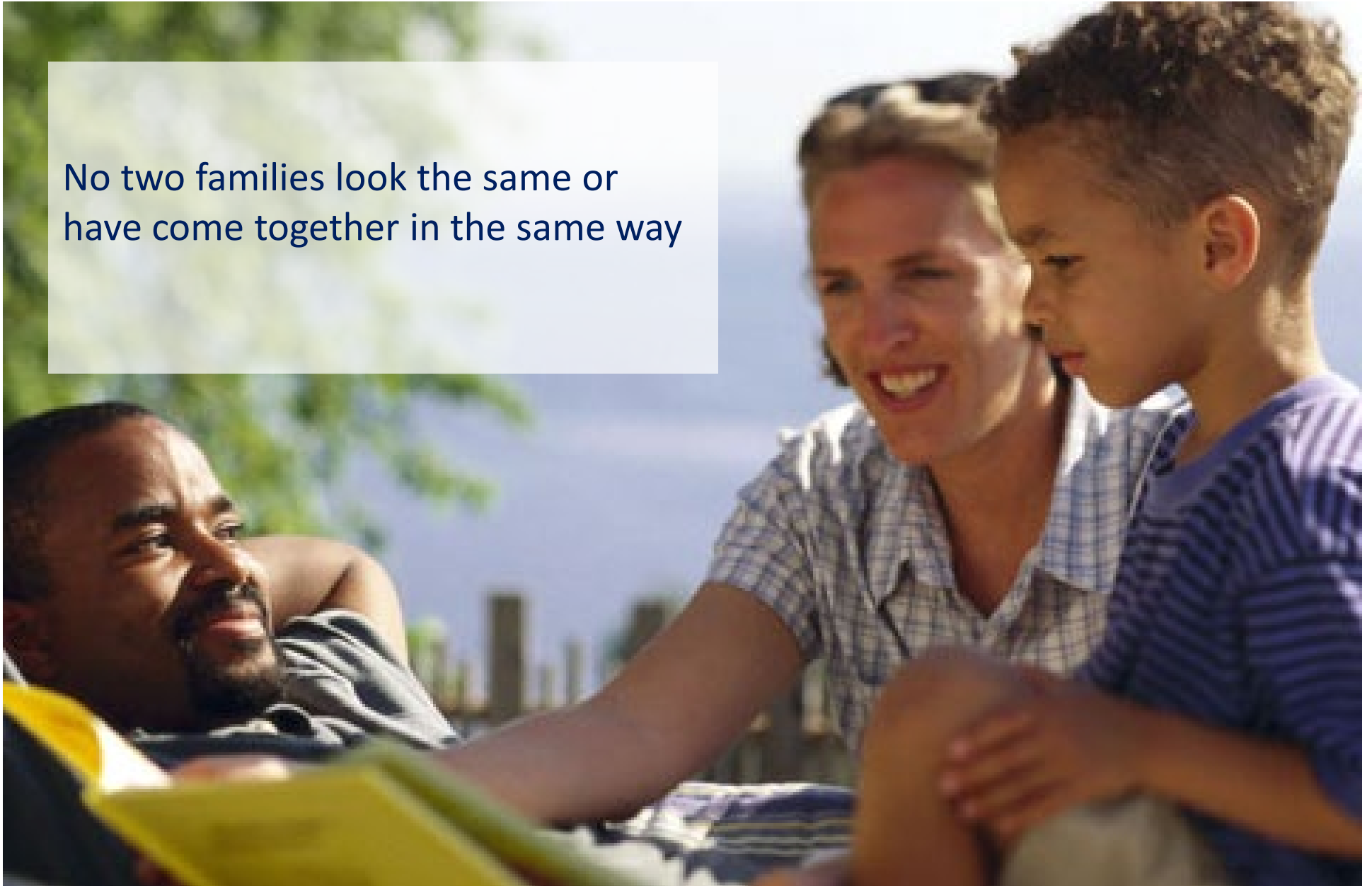
Many women are paving their paths and doing it on their own.

For a woman living on her own, it's especially important to consider choices involving

- Future caregiving needs for yourself
- Caregiving responsibilities for loved ones
- Important healthcare directives and legal documents

Modern families

No two families look the same or
have come together in the same way



Starting or raising a family is exciting and rewarding — and expensive.

56%

of mothers find work-life effectiveness challenging.¹

The estimated cost of raising a child to age 17 is

\$233,610.²

Mothers are the primary or sole earners for

40%

of households with children under 18.³



¹ Kim Parker and Wendy Wang, "Modern Parenthood: Roles of Moms and Dads Converge as They Balance Work and Family," Pew Research Center, 2013.

² *Expenditures on Children by Families*, 2015, United States Department of Agriculture, January 2017, revised March 2017.

³ Mark DeWolf, "12 Stats About Working Women," U.S. Department of Labor Blog, March 2017.

42% of women with children of any age say that at some point in their working life, they have reduced their hours in order to care for a child or other family member.¹

A “career break” can dramatically alter income and the ability to accumulate retirement assets.²

Considerations

- Determine long-term and short-term financial implications of time off.
- Keep work skills sharp in case you want to return when children are older.
- Consider less traditional child care options, like stay-at-home dads or grandparents.

¹ “On Pay Gap, Millennial Women Near Parity — For Now,” Pew Research Center, December 2013.

² Kristen Doerer, “How much does it cost to leave the workforce to care for a child? A lot more than you think,” PBS NewsHour, June 2016.

Living longer

In the last two centuries, the average life span has doubled.¹
Today, women are outliving men.

Average number of years after age 65:

21.6 women²

19.3 men²

¹ U.S. Census Bureau, 2010.

² Calculators: Life Expectancy, Social Security Administration, 2016.



The “new retirement”

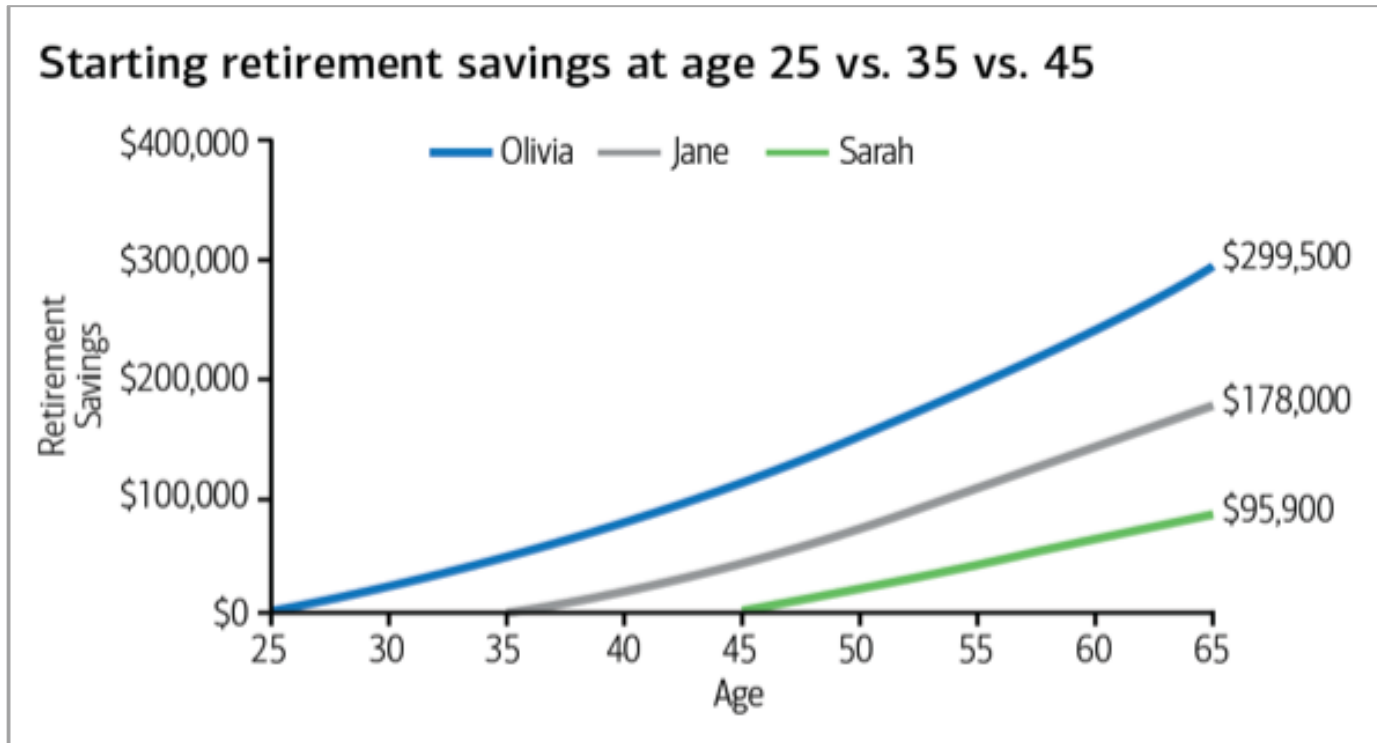
Along with the joys of retirement come financial needs and responsibilities:

- Women spend on average an extra \$195,000 on health care costs than men in retirement¹
- Greater long-term-care expenses
- A need to make money last longer



¹ Source: Age Wave estimate, 2018

Retirement savings



The median retirement income of women is still just 58% of the median retirement income of men.¹

Note: Assumes a hypothetical annual rate of return of 4%. The analysis is on a **pre-tax** basis. Figures rounded to the nearest \$100. Source: Calculations by the Chief Investment Office. This is a hypothetical example meant for illustrative **purposes** only. It does not reflect an actual investment, nor does it account for the effects of taxes, any investment expenses or withdrawals. Returns are not guaranteed and results will vary. Investment returns cannot be predicted and will fluctuate. **Investor** results may be more or less. It is not intended to serve as investment advice since the availability and effectiveness of any strategy is dependent upon your individual facts and circumstances.

¹ Jocelyn Fischer and Jeff Hayes, Ph.D., "The Importance of Social Security in the Incomes of Older Americans: Differences by Gender, Age, Race/Ethnicity, and Marital Status," Institute for Women's Policy Research, August 2013.

Women tend to outlive their spouse.

Just **33%** between the
ages of 75 and 84 are married.¹

For women 85 and older, that
number drops to just

13%¹

Considerations

- If there's no estate plan, create one.
- Use a trust to plan for your or your spouse's incapacity.
- Use a power of attorney to appoint an agent for financial matters

¹ *What Women Need to Know About Retirement*, a joint project of the Heinz Family Philanthropies and The Women's Institute for a Secure Retirement, 2016.

Starting tomorrow

Three things you can start right away:

1. Make a list of your top priorities and goals (financial or otherwise)
2. Have a conversation with your financial advisor about these goals and priorities
3. Establish a routine to check-in with yourself (and your advisor) to see how you're progressing

