



# Women, Wealth and Well-Being



# Agenda

**1**

**Women in the  
world today**

**2**

**What does  
wealth mean  
to you?**

**3**

**Investing:  
beyond the  
headlines**

**4**

**Build your  
foundation**



# **Women in the world today**





# Women's power is growing...

**Congress  
has highest  
percent of  
women in  
U.S. history**

**1,242 female  
athletes  
at 2018  
Olympics**

**Start  
businesses  
at 2x the  
rate of men**

**57% of  
recent  
degree  
earners**

**Increased  
leadership  
roles**

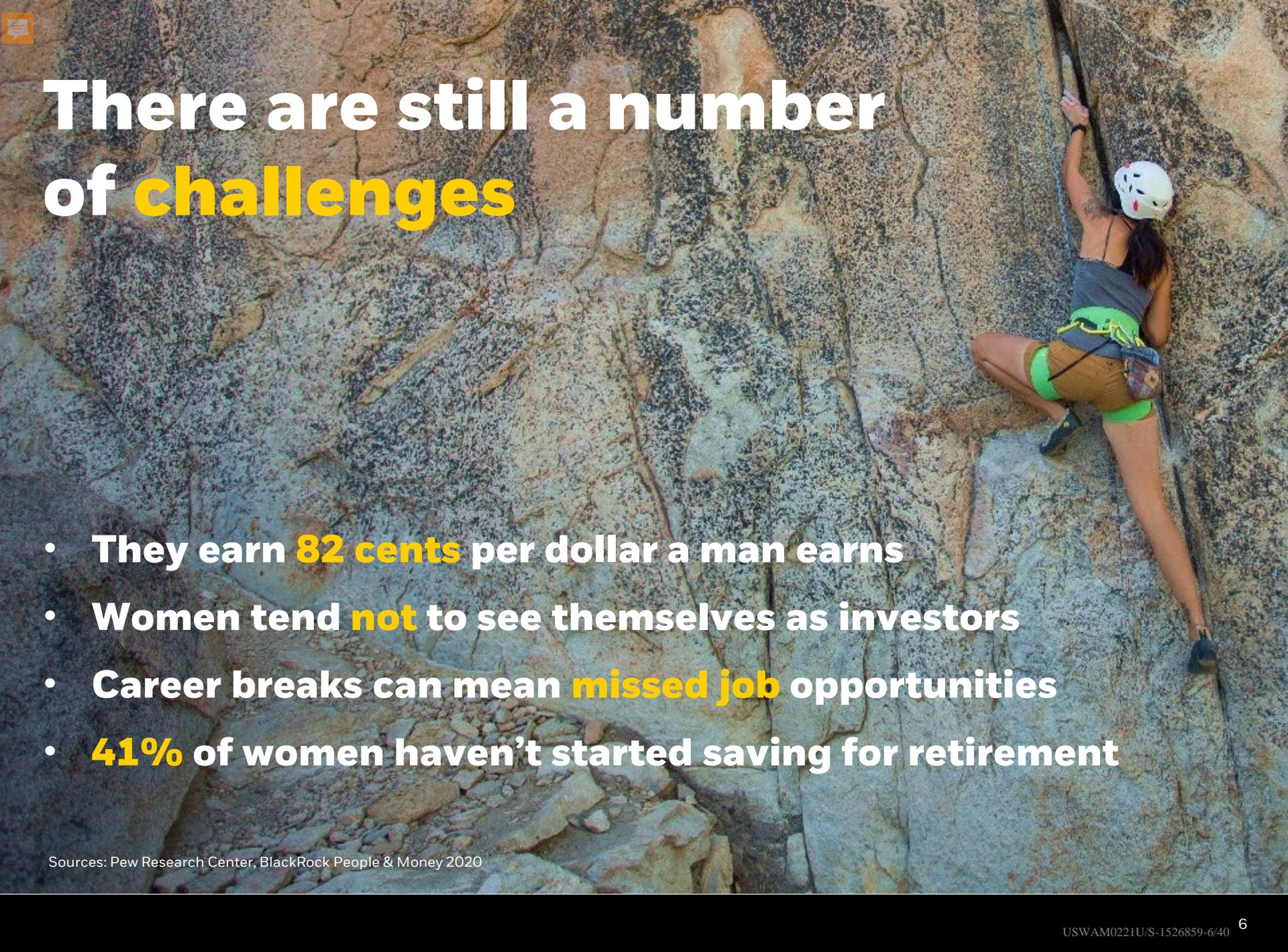
Sources: Center for American Women and Politics, Olympic.org., United States Census Bureau Annual Survey of Entrepreneurs, National Center for Education Statistics, Pew Research Center



**...and so are their assets.**

## **Women are:**

- **Acquiring** more wealth than ever before
- Set to inherit **majority of \$30T** in intergenerational wealth
- **Breadwinners** or co-breadwinners in majority of homes
- Projected to **own \$93T** of total global private wealth by 2023

A woman is seen from behind, climbing a large, textured rock face. She is wearing a white helmet, a grey tank top, and brown shorts with a green waistband. She is holding onto a rope and has a climbing harness and gear on her back. The rock face is composed of various shades of brown, tan, and grey, with visible cracks and crevices. The background is a solid black color.

# There are still a number of challenges

- They earn **82 cents** per dollar a man earns
- Women tend **not** to see themselves as investors
- Career breaks can mean **missed job** opportunities
- **41%** of women haven't started saving for retirement

Sources: Pew Research Center, BlackRock People & Money 2020



# What do women want?

- ✓ **Be secure financially**
- ✓ **Feel confident about investing**
- ✓ **Be debt free**
- ✓ **Balance different goals**
- ✓ **Invest to fulfill goals**
- ✓ **Learn about investing**

Source: 2019 BlackRock Investor Pulse.



**What does  
“wealth”  
mean to you?**





# It's personal. Put your wealth in the **spotlight**.



**Support  
my  
family**



**Pursue  
creative  
interests**



**Independence**



**Focus on  
wellness**



**Travel**



**Volunteer  
and  
donate**

**Wealth**



# What are your goals?

**S. Specific**

**M. Measurable**

**A. Achievable**

**R. Relevant**

**T. Time-bound**

- **Dollar amount**
- **Timeframe**
- **Needs vs. wants**



# Needs vs. wants

## Short-term:

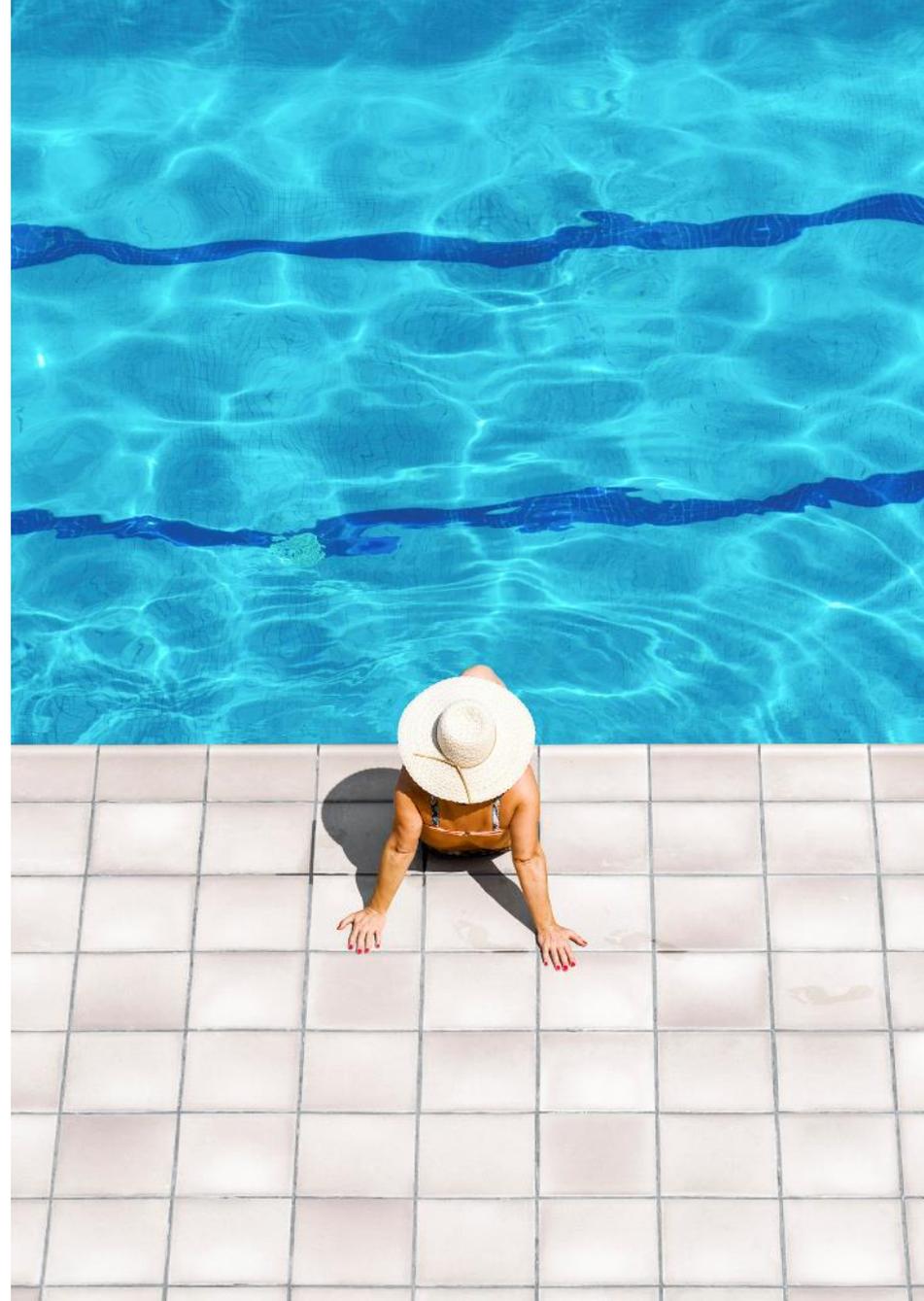
- **Need:** Pay off \$10K credit card debt
- **Want:** Save \$2K to take mom on trip

## Medium-term:

- **Need:** Re-finance mortgage
- **Want:** Invest in 529 plan for grandchild

## Long-term:

- **Need:** Save \$1M for retirement
- **Want:** Buy second home in Cape Cod



# **Investing: beyond the headlines**

# Knowledge is power





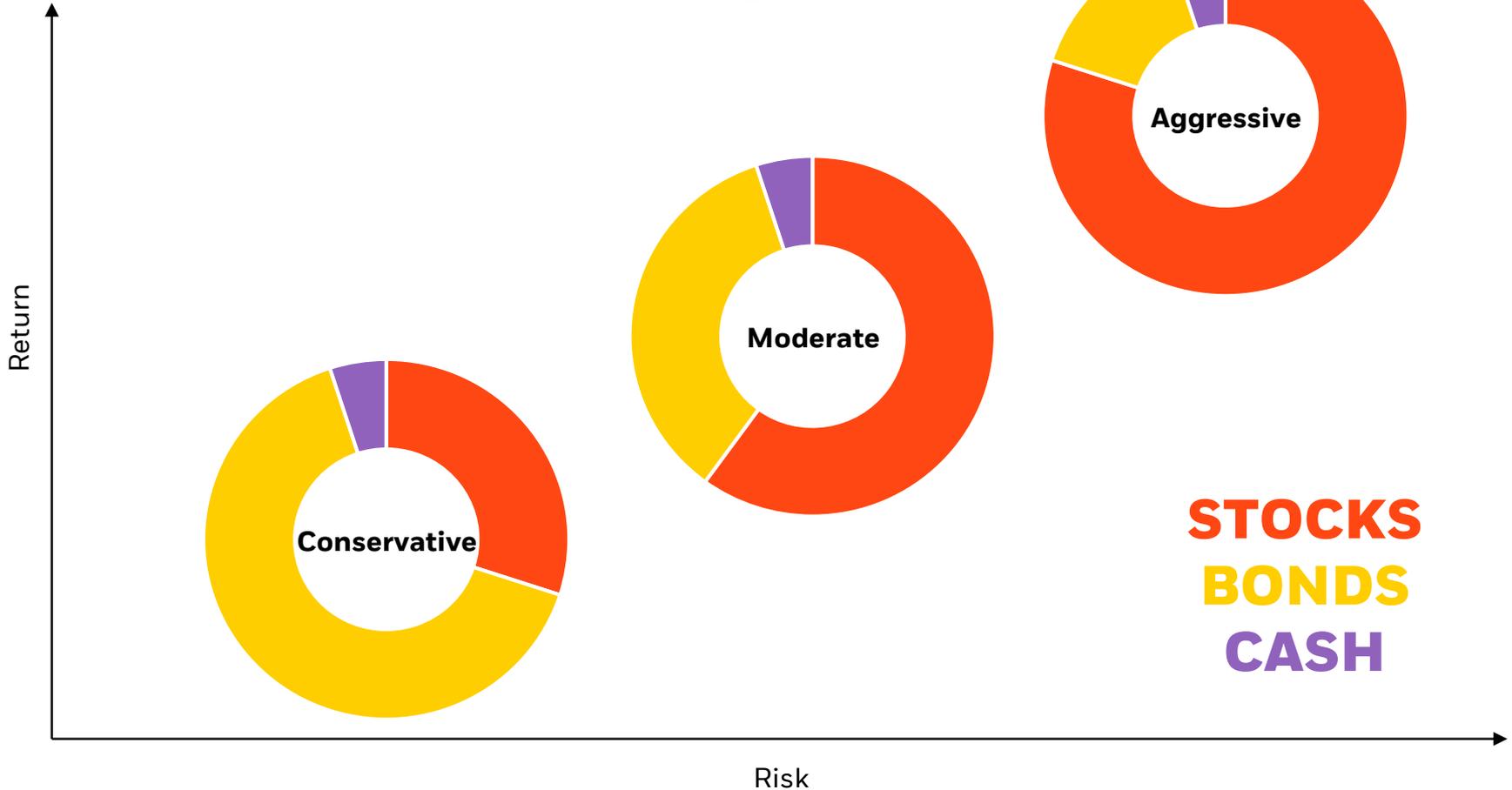
# What is risk?



**How much risk are you  
willing to take on?**



# Your investment profile determines investments appropriate for **you**



# How your investments fare year to year can be unpredictable...

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Bonds</b> 7.8%	<b>LC value</b> 17.5%	<b>Sm cap</b> 38.8%	<b>LC core</b> 13.7%	<b>LC growth</b> 5.7%	<b>Sm cap</b> 21.3%	<b>LC growth</b> 30.2%	<b>Cash</b> 1.9%	<b>LC growth</b> 36.4%	<b>LC growth</b> 38.5%
<b>LC growth</b> 2.6%	<b>Int'l</b> 17.3%	<b>LC growth</b> 33.5%	<b>LC value</b> 13.5%	<b>LC core</b> 1.4%	<b>LC value</b> 17.3%	<b>Int'l</b> 25.0%	<b>Bonds</b> 0.0%	<b>LC core</b> 31.5%	<b>Sm cap</b> 20.0%
<b>LC core</b> 2.1%	<b>Sm cap</b> 16.4%	<b>LC value</b> 32.5%	<b>LC growth</b> 13.1%	<b>Bonds</b> 0.6%	<b>LC core</b> 12.0%	<b>LC core</b> 21.8%	<b>LC growth</b> -1.5%	<b>LC value</b> 26.5%	<b>LC core</b> 18.4%
<b>Div port</b> 1.8%	<b>LC core</b> 16.0%	<b>LC core</b> 32.4%	<b>Div port</b> 8.1%	<b>Div port</b> 0.1%	<b>Div port</b> 8.7%	<b>Div port</b> 15.1%	<b>LC core</b> -4.4%	<b>Sm cap</b> 25.5%	<b>Div port</b> 14.7%
<b>LC value</b> 0.4%	<b>LC growth</b> 15.3%	<b>Int'l</b> 22.8%	<b>Bonds</b> 6.0%	<b>Cash</b> 0.1%	<b>LC growth</b> 7.1%	<b>Sm cap</b> 14.7%	<b>Div port</b> -4.7%	<b>Int'l</b> 22.0%	<b>Int'l</b> 7.8%
<b>Cash</b> 0.1%	<b>Div port</b> 12.2%	<b>Div port</b> 20.3%	<b>Sm cap</b> 4.9%	<b>Int'l</b> -0.8%	<b>Bonds</b> 2.7%	<b>LC value</b> 13.7%	<b>LC value</b> -8.3%	<b>Div port</b> 22.0%	<b>Bonds</b> 7.5%
<b>Sm cap</b> -4.2%	<b>Bonds</b> 4.2%	<b>Cash</b> 0.1%	<b>Cash</b> 0.0%	<b>LC value</b> -3.8%	<b>Int'l</b> 1.0%	<b>Bonds</b> 3.5%	<b>Sm cap</b> -11.0%	<b>Bonds</b> 8.7%	<b>LC value</b> 2.8%
<b>Int'l</b> -12.1%	<b>Cash</b> 0.1%	<b>Bonds</b> -2.0%	<b>Int'l</b> -4.9%	<b>Sm cap</b> -4.4%	<b>Cash</b> 0.3%	<b>Cash</b> 0.9%	<b>Int'l</b> -13.8%	<b>Cash</b> 2.3%	<b>Cash</b> 0.7%

Source: Informa Investment Solutions. Past performance is no guarantee of future results. The information provided is for illustrative purposes and is not meant to represent the performance of any particular investment. Assumes reinvestment of all distributions. It is not possible to directly invest in an index. Diversification does not guarantee a profit or protect against loss. Cash is represented by the ICE BofA 3-month Treasury Bill Index. Diversified portfolio is composed of 35% of the Bloomberg Barclays U.S. Aggregate Bond Index, 10% of the MSCI EAFE Index, 10% of the Russell 2000 Index, 22.5% of the Russell 1000 Growth Index and 22.5% of the Russell 1000 Value Index. Bonds is represented by the Bloomberg Barclays U.S. Aggregate Bond Index. International is represented by the Morgan Stanley Capital International (MSCI) EAFE Index. Large cap core is represented by the S&P 500 Index. Large cap growth is represented by the Russell 1000 Growth Index. Large cap value is represented by the Russell 1000 Value Index. Small cap is represented by the Russell 2000 Index.

# But the risk of those investments is more predictable

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Sm cap 22.3%	Int'l 16.0%	Int'l 11.6%	Sm cap 14.9 %	Int'l 14.6%	Sm cap 17.5%	Sm cap 7.4%	Sm cap 18.5 %	Sm cap 17.1%	Sm cap 34.9%
Int'l 18.7%	Sm cap 12.4%	Sm cap 10.4%	Int'l 9.3%	Sm cap 13.9%	Int'l 12.9%	LC value 5.2%	LC growth 16.7%	LC value 12.9%	LC value 27.6%
LC value 16.5%	LC growth 11.1%	LC value 9.1%	LC growth 8.9%	LC growth 13.4%	LC value 10.6%	LC growth 4.4%	LC core 14.7%	LC growth 12.8%	LC growth 25.4%
LC growth 15.3%	LC core 10.1%	LC core 8.1%	LC value 7.9%	LC core 13.1%	LC growth 10.5%	Int'l 4.0%	LC value 13.5%	LC core 12.3%	Int'l 25.4%
LC core 15.3%	LC value 9.8%	LC growth 7.7%	LC core 7.9%	LC value 12.4%	LC core 9.8%	LC core 3.8%	Int'l 11.9%	Int'l 11.0%	LC core 24.8%
Div port 10.4%	Div port 7.1%	Div port 6.2%	Div port 5.8%	Div port 8.0%	Div port 7.0%	Div port 2.0%	Div port 9.3%	Div port 8.2%	Div port 17.1%
Bonds 2.3%	Bonds 1.9%	Bonds 3.1%	Bonds 2.2%	Bonds 2.8%	Bonds 3.6%	Bonds 1.5%	Bonds 3.0 %	Bonds 3.3%	Bonds 3.3%
Cash 0.0%	Cash 0.0%	Cash 0.0%	Cash 0.0%	Cash 0.0%	Cash 0.1%	Cash 0.1%	Cash 0.1%	Cash 0.1%	Cash 0.3%

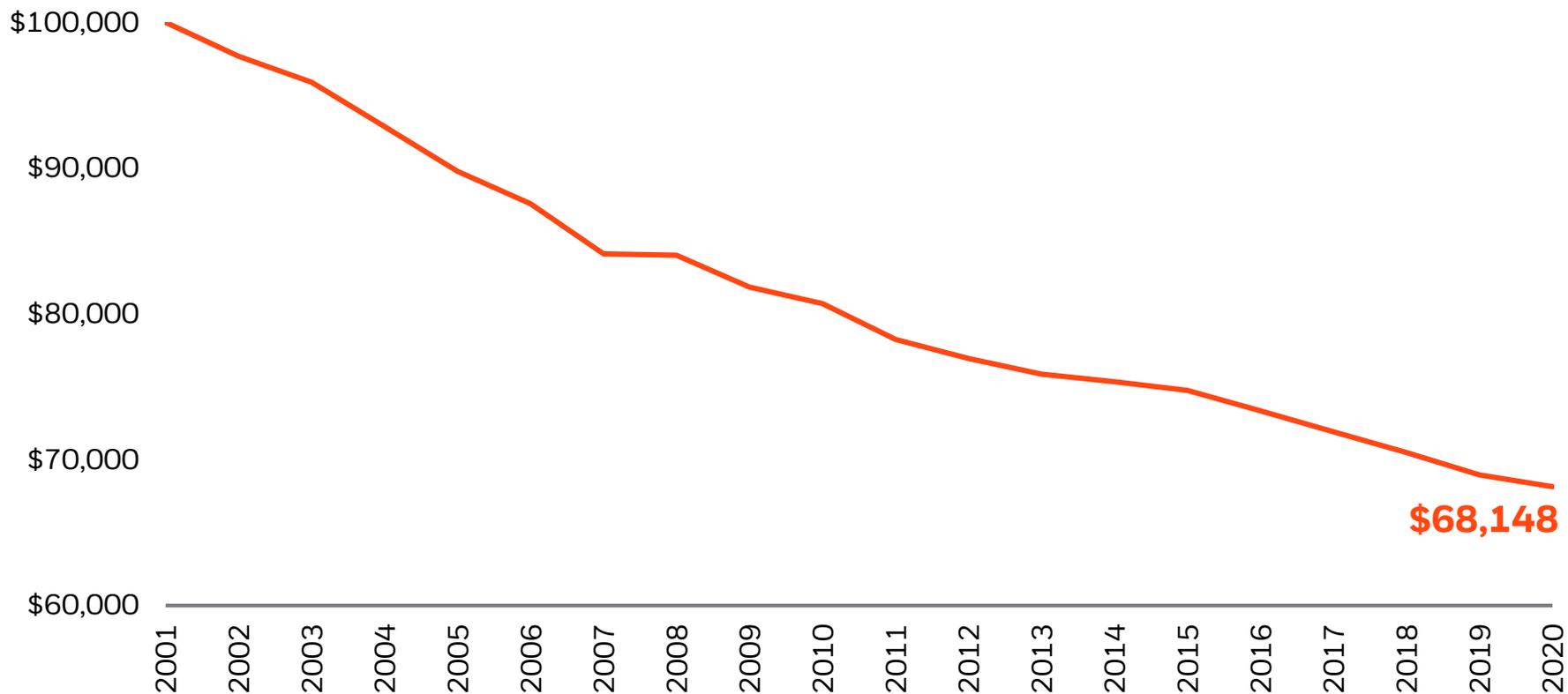
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# Don't sit on the sidelines

## Erosion of purchasing power

Cumulative inflation (12/31/2001-12/31/2020)



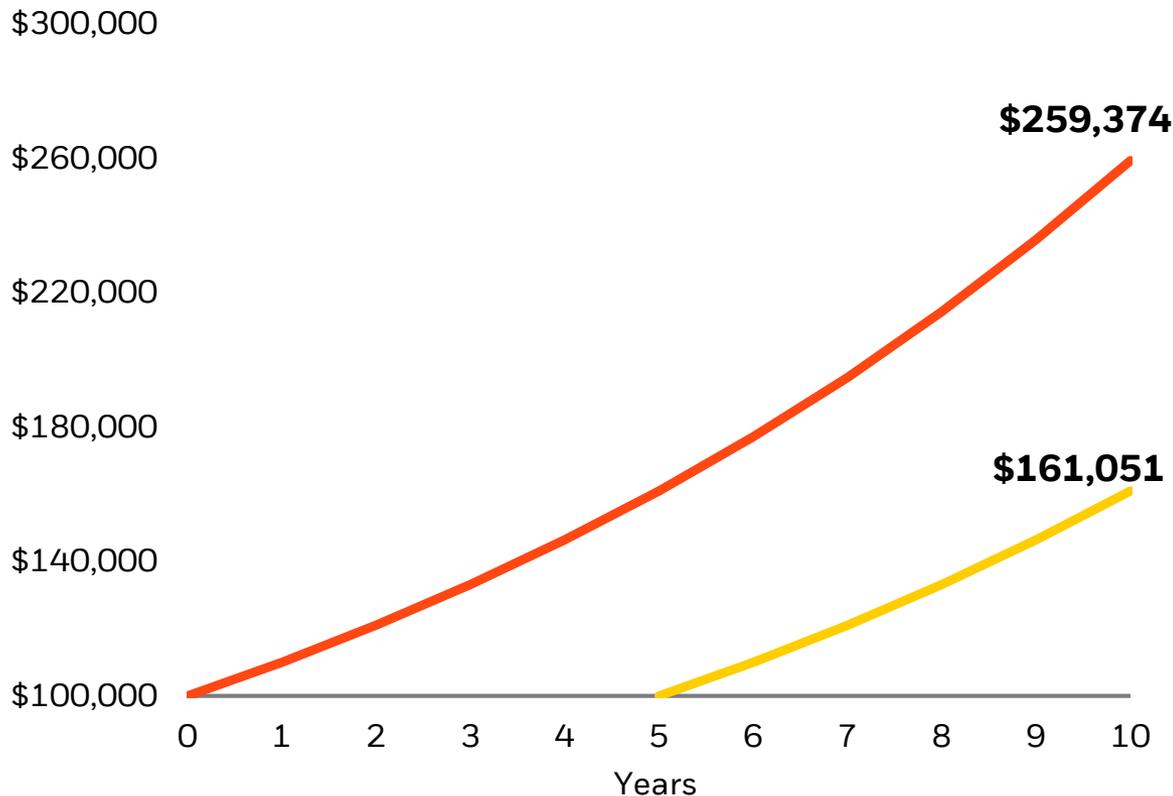
Source: BlackRock, Informa Investment Solutions as of 12/31/20. Inflation represented by the Consumer Price Index. For illustrative purposes only. Past performance does not guarantee or indicate future results. You cannot invest directly in an index.



# Waiting for the “right time to invest” can leave you behind

## Compound interest makes time your friend

Growth of hypothetical \$100,000 investment assuming 10% annual yield



### Money earned:

- Over 10 years: \$159,374
- Over 5 years: \$61,051

Investing for 10 years vs. 5 years would result in **261%** more earnings

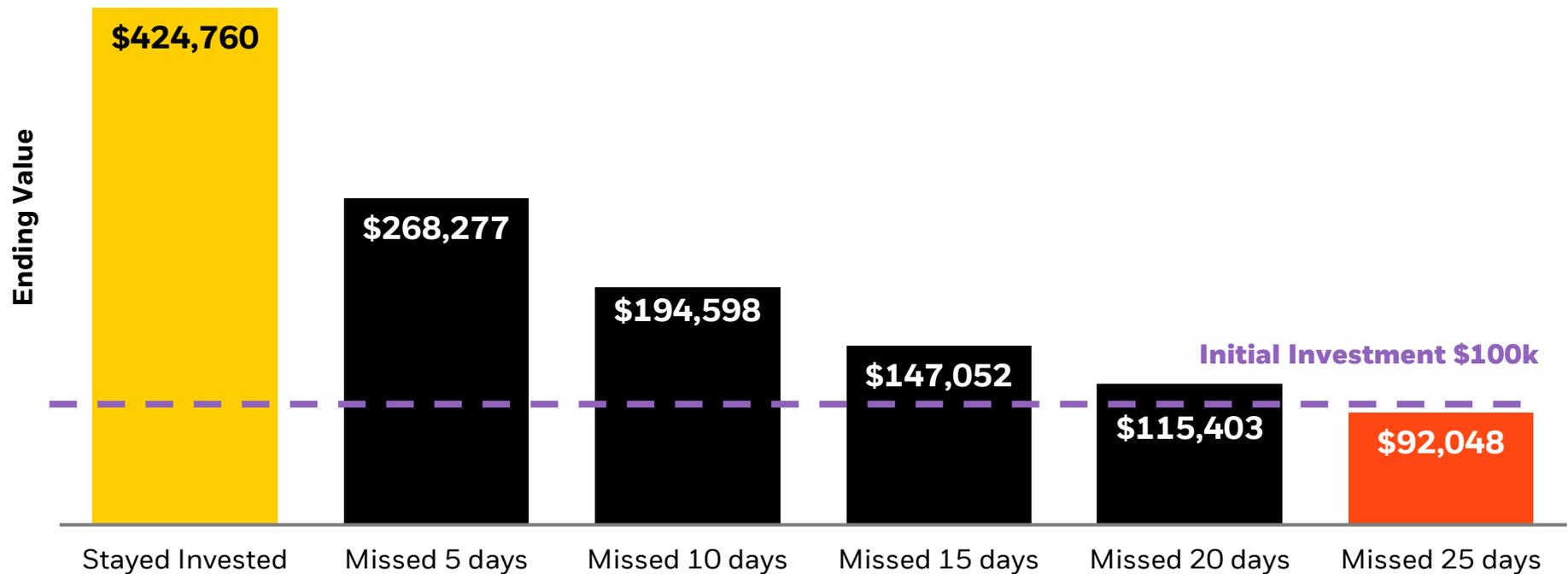
For illustrative purposes only. Not meant to represent the past or future performance of any particular fund or index.



# Time in the market vs. timing the market

## Missing top-performing days can hurt your return

Hypothetical Investment of \$100,000 in the S&P 500 Index over the last 20 years (2001-2020)



Source: Morningstar. Past performance does not guarantee or indicate future results. Index performance is shown for illustrative purposes only. You cannot invest directly in an index.



# Trust diversification – even when it’s hard

Years	S&P 500	Diversified portfolio
2000*-2002	-40.1%	-17.3%
2003-2007	82.9%	80.0%
2008	-37.0%	-24.5%
2009-2019	351.0%	195.3%
Q1 2020†	-30.4%	-20.7%
Q2-Q4 2020‡	70.2%	42.6%
<b>Total Return</b>	<b>268.7%</b>	<b>275.3%</b>

Gr \$100k

\$368,745

\$375,302

- ▶  “I lost money”
- ▶  “I didn’t make as much”
- ▶  “I lost money”
- ▶  “I didn’t make as much”
- ▶  “I lost money”
- ▶  “I didn’t make as much”
- ▶  “Diversification wins even when it feels like its losing”

Source: Morningstar as of 12/31/20. \*Performance is from 9/30/00 to 12/31/02. †Performance is from 1/1/20 to 3/23/20. ‡Performance is from 3/24/20 to 12/31/20. Diversified Portfolio is represented by 40% S&P 500 Index, 10% MSCI EAFE Index, 5% Russell 2000 Index, 30% Bloomberg Barclays U.S. Aggregate Bond Index, 10% Bloomberg Barclays U.S. Corporate High Yield Index and 5% FTSE Emerging Stock Index. **Past performance does not guarantee or indicate future results.** Index performance is for illustrative purposes only. You cannot invest directly in the index. Diversification does not guarantee a profit or protect against a loss in a declining market.

**Build your foundation for  
wealth and well-being**

# 5 steps to build your financial foundation

- 1 Get organized**
- 2 Define your goals**
- 3 Know your numbers**
- 4 Get invested**
- 5 Plan for your unique life path**





# Getting organized is one of the keys to financial security

## **1** **Get organized**

### **Collect**

- **Investment statements**
- **Recent tax returns**
- **Insurance policies**
- **Retirement accounts**
- **Estate and trust documents**



# Write down your goals

## 2

### Define goals

**Every goal has three elements:**

- **Dollar amount**
- **Time frame**
- **Needs vs. wants**

**What do you need to get there?**



# 3

## Know your numbers

### Net worth



#### Assets

What you own



#### Liabilities

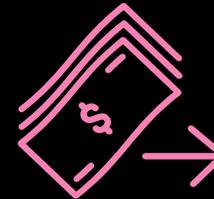
What you owe

### Cash flow



#### Income

What goes in



#### Expenses

What comes out



# 4

**Get  
invested  
in a  
diversified  
portfolio**

## How to get started

- **Know yourself. Your goals. Your needs.**
- **Ask for help**
- **Know your options**
- **Start now**
- **Stay invested**



# Your life is unique. So is your financial strategy.

# 5

**Plan for  
your  
unique  
path**

- **Caregiving**
- **Health**
- **Social Security**
- **Life After Divorce or Loss**
- **Estate Planning**



# Parenting & caregiving

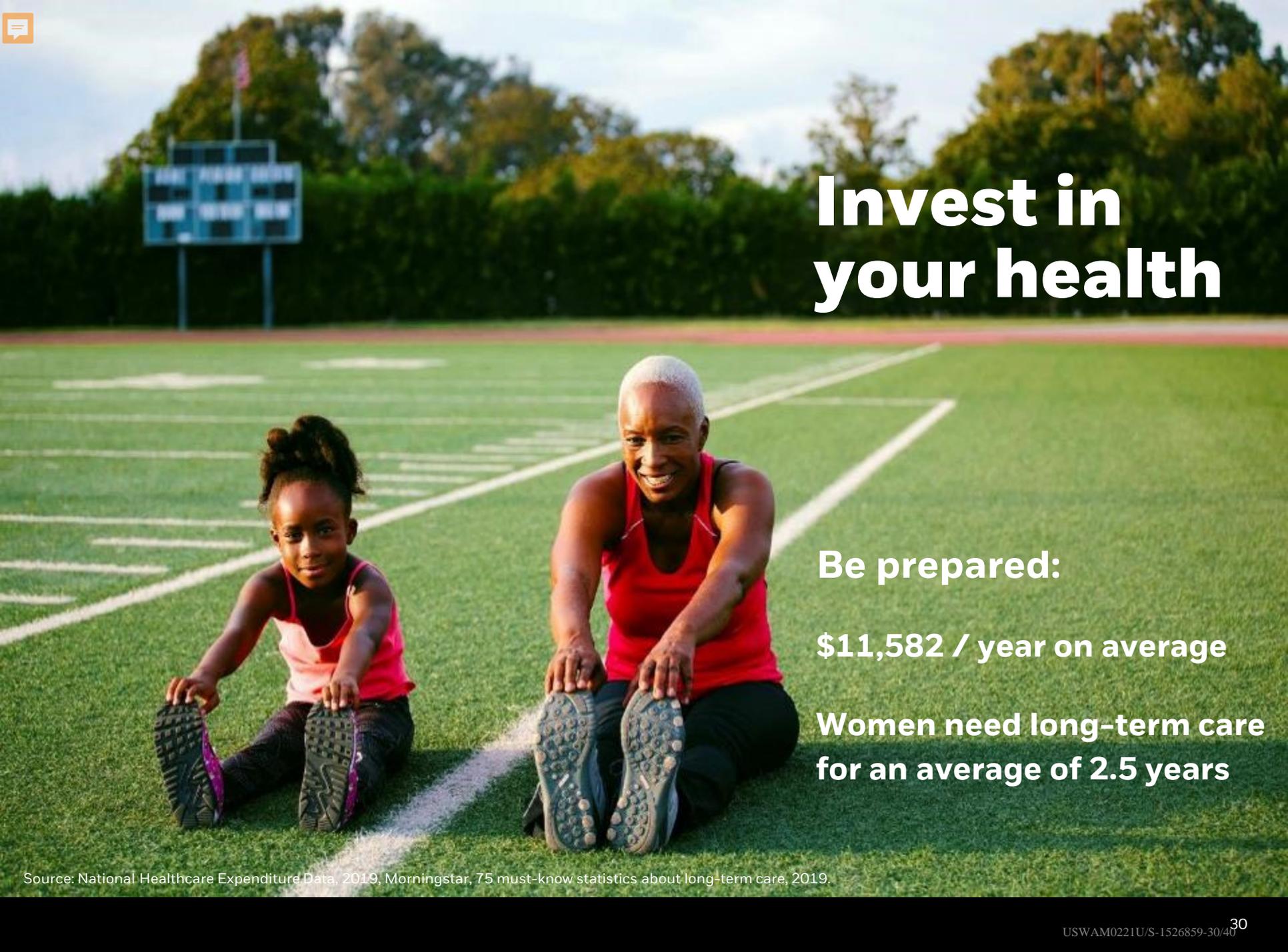
**And it has a cost:**

**\$48,000 / year for assisted living on average**

**\$100,375 / year for private room in nursing home**

Source: Genworth Financial, 2018.





# Invest in your health

**Be prepared:**

**\$11,582 / year on average**

**Women need long-term care for an average of 2.5 years**

Source: National Healthcare Expenditure Data, 2019, Morningstar, 75 must-know statistics about long-term care, 2019.



# Understand Social Security

**Consider all eligible benefits to set strategy  
for when to collect each**

## **3 types of benefits**

- 1** Individual
- 2** Spousal
- 3** Survivor

## **3 milestone ages to collect**

- 1** 62: Earliest
- 2** Range: Full Retirement Age
- 3** 70: Latest



# Spousal benefits

## Spousal benefits

- Married 1 year
- Your spouse must be collecting
- Your benefit must be less than  $\frac{1}{2}$  of your spouse's full-retirement age benefit

## Ex-spousal benefits

- Married to ex-spouse for 10+ years
- Unmarried
- Both are at least age 62
- Divorced for at least 2 years\*

\*2 years does not apply if the individual was eligible for spousal benefits at the time of divorce.

Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)).



# Survivor benefits

**Jordan**  
**PIA: \$2,200**

**Alex**  
**PIA: \$600**

Jordan's Benefits (63 ½)  
**\$1,833**



Survivor Benefits  
**\$1,833**

Jordan's Benefits (70)  
**\$2,904**

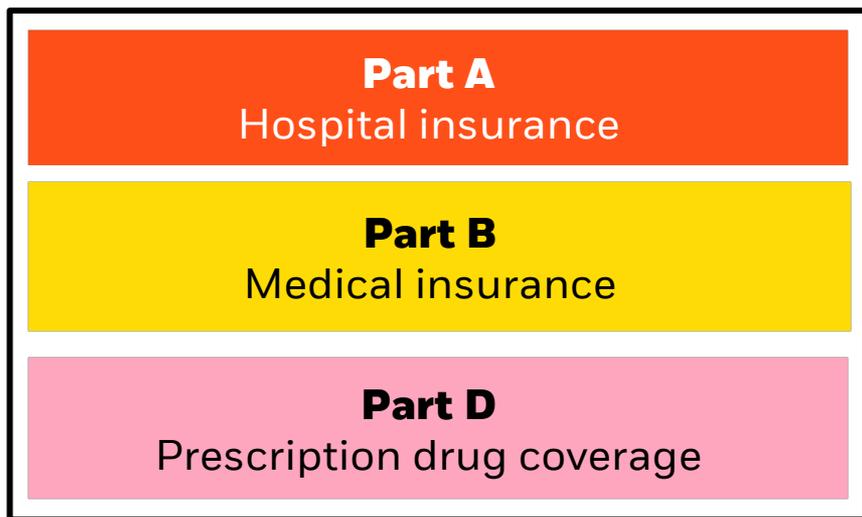


Survivor Benefits  
**\$2,904**

Source: Social Security Administration ([www.ssa.gov](http://www.ssa.gov)). Assumes full retirement age of 66 and primary insurance amount of \$2,200.



# Understand Medicare



**Medigap**



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## Enrollment periods for Part B

### Initial

7-month period between age 64 and 9 months and age 65 and 3 months

### General

Jan 1-Mar 31 each year  
Surcharges may apply

### Special

Anytime while covered by a current employer's plan or within 8 months of separation



# Life after divorce or loss

## Divorce

- Know your numbers
- Insurance – life and health
- Consider child support
- Work with attorney
- Protect what's yours
- Your home (sell or hold?)

## Spousal loss

- Pre-plan if you can
- Be patient before making decisions
- Estate Planning



# Protect your wealth

## Why build an estate plan?

- To position assets to go where intended
- To ensure that assets are taxed efficiently
- To protect and communicate with your loved ones

## Assemble important documents

- ✓ Will
- ✓ Power of Attorney
- ✓ Directive to Physicians (Advance Directive)
- ✓ Patient Authorization
- ✓ Declaration of Guardian



# Take action

## Assemble your team of experts

- 1 Get organized**
- 2 Define your goals**
- 3 Know your numbers**
- 4 Get invested**
- 5 Plan for your unique life path**





# Talk to your financial professional



# Open discussion

What financial actions are you going to take?  
What is something you learned today?

# Important notes

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