

Today, women are playing an ever-increasing role in making important financial decisions – whether for themselves or for their families. While many of the basic rules of investing hold true for all investors, some life events will affect women differently than they will men, and these can also have an impact on investment decisions. Following are a few areas of special consideration for women investors:

## Longer life expectancy

People in general are living longer these days, and conventional wisdom will tell you that women tend to outlive men. Studies have, in fact, confirmed that this is the case. According to CDC statistics from 2003, women outlive men by an average of more than five years.\* So women in particular often end up facing more years in retirement. To be prepared for such a situation, women need to take special care to implement select strategies catered to their possible long-term needs.



## Being on your own

Statistics also show that women have a very high probability of being on their own at some point in their financial lives, not only as a result of a spouse's death, but also because of divorce or simply remaining single. Dropping from two incomes down to one would obviously require making some adjustments, so it's important to think about alternatives and options in the event you should be faced with a similar situation.

## Time spent out of the work force

When caring for children — or even an elderly parent — women tend to spend more time away from work than men. Some surveys have shown that, on average, women spend more than a decade out of the work force. The implications for women with regards to investments are clear: they will have less time than their male counterparts to contribute to their retirement nest eggs.

While these are just some of the many important considerations for women investors, there are also several simple steps women can take to come up with an effective financial strategy.

For starters, you should look for ways to educate yourself about investments. The financial press and financial web sites are loaded with information about investments and alternatives. It's important to remember that not every source is the most reliable, but the bottom line is that there is plenty of information out there.

You may also want to seek advice from a professional. The act of enlisting a financial advisor to help with your investments does not take away from your ability to make the final decisions. It does, however, provide you with someone you can turn to for guidance as you make those important decisions.

One of the most important things you can do is make a list of your financial goals and then develop strategies to meet those goals. Taking the time to assess your current financial situation will help you get a clear picture of where you are, and then you can envision where you want to go. Keeping in mind the special circumstances we mentioned earlier, you can chart a course of action that will enable you to meet any challenges that may arise in the future.

\* CDC, NCHS, <http://www.cdc.gov/nchs/data/hus/hus05.pdf#027>. Table 27.

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