

Empowering Women: Managing Wealth with Confidence

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Understanding Women's Unique Financial Needs

- Financial landscape for women
- Intersection of gender and finance
- Strategies for managing wealth confidently
- Empowering financial independence

The Rise of Women in Wealth Management

\$30T
controlled by women

>114%
U.S. women-owned

Women are set to control \$30 trillion, or two-thirds of private wealth, by 2030.¹

The number of U.S. women-owned businesses increased by 114% between 1997 and 2017, compared to a 44% increase for all businesses.²

More women are becoming primary breadwinners, inheriting wealth, and starting businesses.

¹ [McKinsey & Company: Women are set to control \$30 trillion, or two-thirds of private wealth, by 2030] (<https://www.mckinsey.com/industries/private-equity-and-principal-investors/our-insights/women-as-the-next-wave-of-growth-in-us-wealth-management>).

² [American Express, 2019: The number of women-owned businesses in the United States increased by 114% between 1997 and 2017] (<https://ventureneer.com/wp-content/uploads/2017/11/2017-AMEX-SWOB-FINAL.pdf>).

Financial Challenges for Women

- Lower lifetime earnings³
- Reduced retirement savings⁴
- Higher healthcare costs⁵
- Child care costs
- College planning process

The wealth gap between men and women is projected to widen, with women facing challenges in building and preserving wealth.⁶

³ [U.S. Bureau of Labor Statistics, 2023: The gender pay gap persists, with women earning 83.6 cents for every dollar earned by men](<https://www.bls.gov/opub/ted/2024/womens-earnings-were-83-6-percent-of-mens-in-2023.htm>).

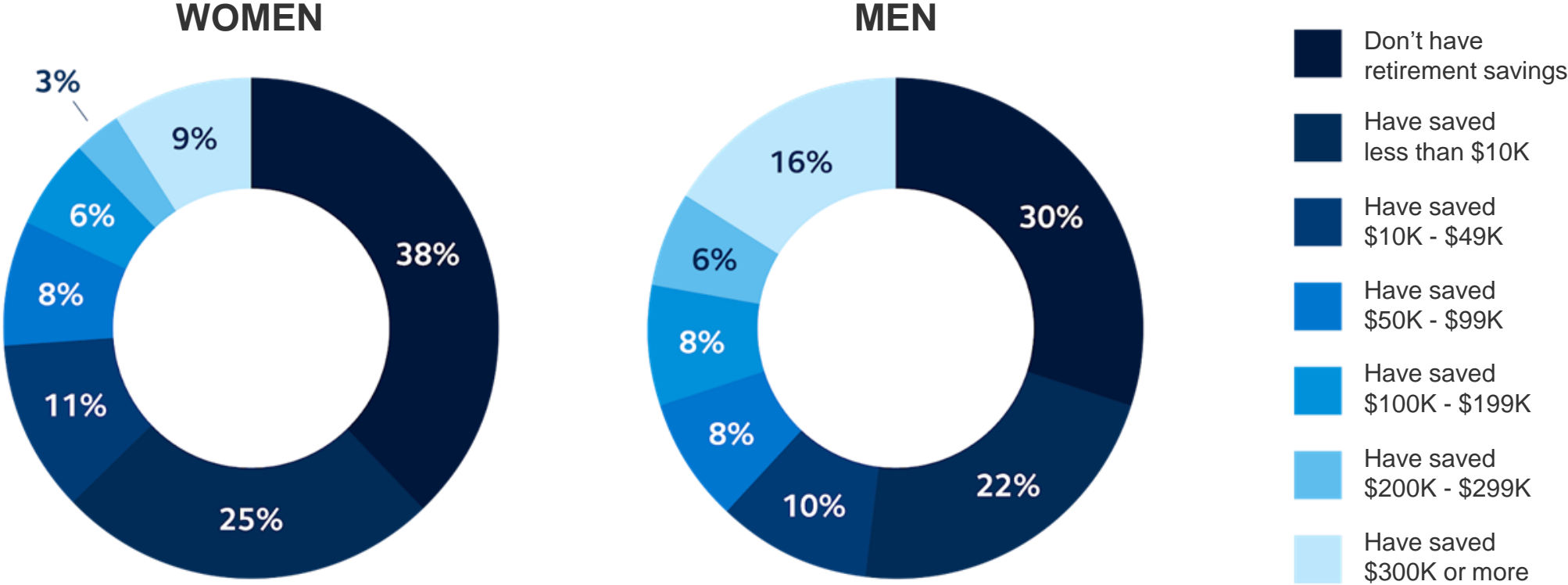
⁴[Family Caregiver Alliance, Women are more likely to take career breaks for caregiving responsibilities, resulting in lower lifetime earnings and reduced retirement savings] (<https://www.caregiver.org/resource/women-and-caregiving-facts-and-figures/>).

⁵[World Economic Forum, 2023: US women are paying billions more for healthcare than men every year](<https://www.weforum.org/stories/2023/10/healthcare-equality-united-states-gender-gap/>)

⁶ [American Progress, 2024: What You Should Know About the 2023 Gender Wage Gap](<https://www.americanprogress.org/article/what-you-should-know-about-the-2023-gender-wage-gap/#:~:text=and%20their%20families,-.2023%20marked%20the%20first%20time%20the%20gender%20wage%20gap%20significantly,median%20annual%20income%20of%20men>).



Women are Typically Less Prepared for Retirement than Men



SOURCE: GoBankingRates.com

Financial Implications of Long-Term Care

- Someone turning 65 today has a nearly **70% chance** of needing long-term care, with women needing care longer (3.7 years) than men (2.2 years)⁷
- Annual cost for daily in-home care is **\$59,488** and could be higher depending on location⁸
- Nationally, the average annual cost for an assisted living facility **\$54,000**⁸

⁷ LongTermCare.gov

⁸ Genworth; national average





Importance of Financial Literacy

- Women tend to keep as much as **71%** of their assets in cash⁹
- **25%** of women could answer three out of four financial literacy questions correctly¹⁰
- Women who participate in **financial education programs** are more likely to engage in retirement planning and investment activities¹¹

⁹ [Ellevest Team, 2022: Understanding (and Closing) the Gender Investing Gap] <https://www.ellevest.com/magazine/disrupt-money/closing-the-investing-gap>

¹⁰ [Global Financial Literacy Excellence Center: Only 25% of women globally could answer three out of four financial literacy questions correctly](<https://gflec.org/wp-content/uploads/2017/07/The-Gender-Gap-in-Financial-Literacy-A-Global-Perspective-Report.pdf>).

¹¹ [Financial Industry Regulatory Authority, 2020: Women who participate in financial education programs are more likely to engage in retirement planning and investment activities](<https://www.finra.org/investors/insights/gender-generation-and-financial-knowledge>).

Breaking Stereotypes: Women as Investors

- Women often outperform men in **long-term investing**
- Women's investment returns outpaced men's by **40 basis points on average**¹²
- Increasing female representation in investment decision-making roles can lead to **more diverse and innovative** investment strategies

¹² [Fidelity Investments: Women's investment returns outpaced men's by 40 basis points on average](<https://www.forbes.com/sites/timmaurer/2023/04/30/why-women-are-better-investors-than-men/>).



The Power of Compound Interest

- Compound interest allows investors to **grow their initial investment** over time by earning interest
- How it works: **The 'Rule of 72'**

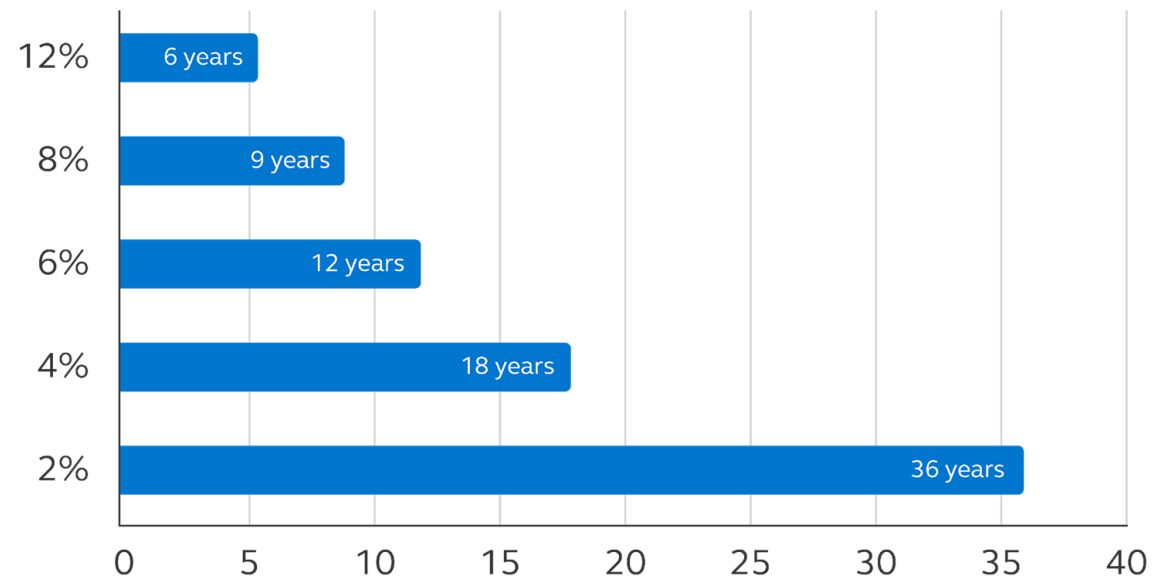
UNDERSTANDING THE RULE OF 72



The Rule of 72 is an easy compound interest calculation to estimate how long it will take to double your money.

$$72 \div \text{INTEREST RATE} = \text{YEARS TO DOUBLE MONEY}$$

Using the rates shown, here is about how long it would take to double an initial investment.

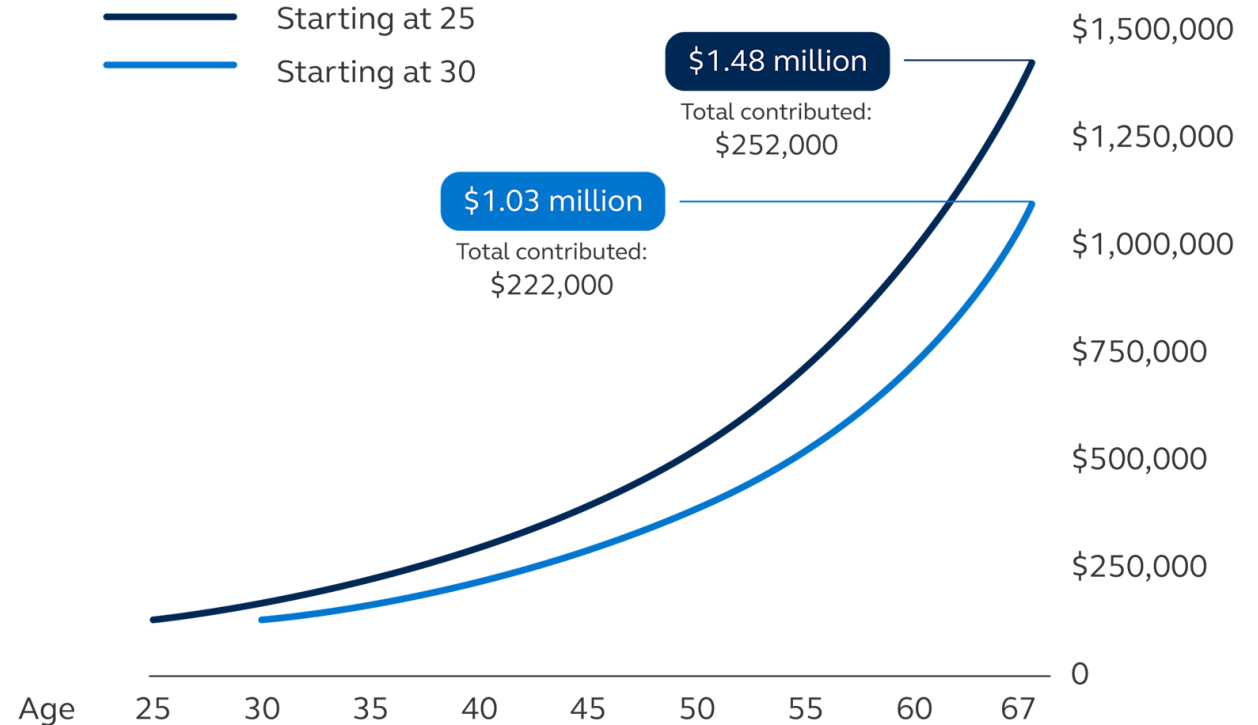


SOURCE: St. Louis Fed Econ Lowdown, "It's Your Paycheck."

Impact of Saving Early

The earlier you start saving the more your investment is likely to grow.

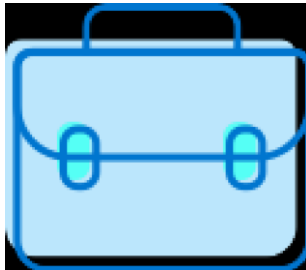
Here's an example:



This hypothetical example assumes the following: (1) \$6,000 annual contributions at the beginning of each year for 42 and 37 years; (2) An annual rate of return of 7%. (3) The ending values do not reflect taxes, fees, inflation, or withdrawals. If they did, amounts would be lower. Earnings and pre-tax contributions are subject to taxes when withdrawn. Distributions before age 59 1/2 may also be subject to a 10% penalty. Contribution amounts are subject to IRS and plan limits. Systematic investing does not ensure a profit or guarantee against a loss in a declining market. This example is for illustrative purposes only and does not represent the performance of any security. Consider your current and anticipated investment horizon when making an investment decision, as the illustration may not reflect this. The assumed rate of return used in this example is not guaranteed. Investments that have potential for 7% annual rate of return also come with risk of loss.

Building a Financial Plan

Women's unique financial planning needs:



**CAREER
BREAKS**



**HEALTHCARE
COSTS**



**RETIREMENT
PLANNING**

¹³ [World Bank, 2023: Women typically live longer than men, with an average life expectancy of 81.2 years compared to 76.2 years for men](<https://data.worldbank.org/indicator/SP.DYN.LE00.FE.IN>).

¹⁴ [National Institute on Retirement Security, 2016: Women are more likely to take career breaks for caregiving responsibilities, leading to lower lifetime earnings and reduced retirement savings](<https://www.nirsonline.org/reports/stillshortchanged/>).



Estate Planning and Wealth Transfer

- **8 out of 10** women will be solely responsible for their financial wellness at some point in their lives due to either a spouse's death or divorce¹⁵
- Women are more likely than men to live alone at ages **65 and older**¹⁶

¹⁵ [UBS: 8 out of 10 women will be solely responsible for their financial wellness at some point in their lives either due to death or divorce](<https://www.ubs.com/content/dam/WealthManagementAmericas/documents/2018-37666-UBS-Own-Your-Worth-report-R32.pdf>)

¹⁶ [Administration for Community Living, 2021: Women are more likely than men to live alone at ages 65 and older, making long-term care planning crucial](https://acl.gov/sites/default/files/Profile%20of%20OA/2021%20Profile%20of%20OA/2021ProfileOlderAmericans_508.pdf).

Navigating Life Transitions

- Women's finances are significantly impacted by: **marriage; divorce; widowhood**
- Approximately **50% of marriages end** in divorce with financial implications for both parties¹⁷
- Women are **80% more likely** than men to be impoverished at age 65 and older¹⁸

¹⁷ [National Library of Medicine: Approximately 50% of marriages end in divorce, with financial implications for both parties](<https://pmc.ncbi.nlm.nih.gov/articles/PMC7170305/>).

¹⁸ [National Institute on Retirement Security, 2021: Women are 80% more likely than men to be impoverished at age 65 and older](https://www.nirsonline.org/2016/03/women-80-more-likely-to-be-impoverished-in-retirement/#:~:text=The%20key%20findings%20of%20this,poverity%20than%20their%20male%20counterparts.)).





Investing in Yourself

Women can help **enhance career opportunities** and financial well-being by:

- Prioritizing self-care and personal development
- Investing in education, skills training, and networking

Companies with a higher percentage of women in leadership positions are 21% more likely to outperform their peers in profitability.¹⁹

¹⁹ [McKinsey & Company] (<https://www.mckinsey.com/featured-insights/gender-equality/women-in-the-workplace>).

²⁰ [S&P Global: The Key to Unlocking U.S. GDP Growth? Women] (https://www.spglobal.com/_Media/Documents/03651.00_Women_at_Work_Doc.8.5x11-R4.pdf).

Raising Financially Savvy Kids

- Teaching kids about money management from a young age sets them up for **future success**.
- **Empowering children with financial literacy** equips them to make sound financial decisions and thrive in adulthood.



Customized Tailored Solutions:

VALUE IN PARTNERING WITH A FINANCIAL ADVISOR

INCOME REPLACEMENT STRATEGIES

Ensuring financial stability through diversified income streams.

INSURANCE PLANNING

Comprehensive coverage for life's uncertainties.

529 PLANS

Investing in education.

DISABILITY INSURANCE

Safeguarding income.



Conclusion

- Women play a pivotal role in wealth management and deserve tailored financial strategies
- **Prioritizing financial literacy, planning, and self-investment** can boost women's financial confidence
- **Investing in women's financial well-being** benefits individuals, families, and society as a whole.

Q&A

Thank you.

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- ¹ [McKinsey & Company: Women are set to control \$30 trillion, or two-thirds of private wealth, by 2030](<https://www.mckinsey.com/industries/private-equity-and-principal-investors/our-insights/women-as-the-next-wave-of-growth-in-us-wealth-management>).
- ² [American Express, 2019: The number of women-owned businesses in the United States increased by 114% between 1997 and 2017](<https://ventureneer.com/wp-content/uploads/2017/11/2017-AMEX-SWOB-FINAL.pdf>).
- ³ [U.S. Bureau of Labor Statistics, 2023: The gender pay gap persists, with women earning 83.6 cents for every dollar earned by men](<https://www.bls.gov/opub/ted/2024/womens-earnings-were-83-6-percent-of-mens-in-2023.htm>).
- ⁴ [Family Caregiver Alliance, Women are more likely to take career breaks for caregiving responsibilities, resulting in lower lifetime earnings and reduced retirement savings](<https://www.caregiver.org/resource/women-and-caregiving-facts-and-figures/>).
- ⁵ [World Economic Forum, 2023: US women are paying billions more for healthcare than men every year](<https://www.weforum.org/stories/2023/10/healthcare-equality-united-states-gender-gap/>).
- ⁶ [American Progress, 2024: What You Should Know About the 2023 Gender Wage Gap](<https://www.americanprogress.org/article/what-you-should-know-about-the-2023-gender-wage-gap/#:~:text=and%20their%20families.,2023%20marked%20the%20first%20time%20the%20gender%20wage%20gap%20significantly,median%20annual%20income%20of%20men>).
- ⁷ LongTermCare.gov
- ⁸ Genworth; national average
- ⁹ [Ellevest Team, 2022: Understanding (and Closing) the Gender Investing Gap] <https://www.ellevest.com/magazine/disrupt-money/closing-the-investing-gap>
- ¹⁰ [Global Financial Literacy Excellence Center: Only 25% of women globally could answer three out of four financial literacy questions correctly](<https://gflec.org/wp-content/uploads/2017/07/The-Gender-Gap-in-Financial-Literacy-A-Global-Perspective-Report.pdf>).
- ¹¹ [Financial Industry Regulatory Authority, 2020: Women who participate in financial education programs are more likely to engage in retirement planning and investment activities](<https://www.finra.org/investors/insights/gender-generation-and-financial-knowledge>).
- ¹² [Fidelity Investments: Women's investment returns outpaced men's by 40 basis points on average] <https://www.forbes.com/sites/timmaurer/2023/04/30/why-women-are-better-investors-than-men/>).
- ¹³ [World Bank, 2023: Women typically live longer than men, with an average life expectancy of 81.2 years compared to 76.2 years for men](<https://data.worldbank.org/indicator/SP.DYN.LE00.FE.IN>).
- ¹⁴ [National Institute on Retirement Security, 2016: Women are more likely to take career breaks for caregiving responsibilities, leading to lower lifetime earnings and reduced retirement savings](<https://www.nirsonline.org/reports/stillshortchanged/>).
- ¹⁵ [UBS: 8 out of 10 women will be solely responsible for their financial wellness at some point in their lives either due to death or divorce](<https://www.ubs.com/content/dam/WealthManagementAmericas/documents/2018-37666-UBS-Own-Your-Worth-report-R32.pdf>).
- ¹⁶ [Administration for Community Living, 2021: Women are more likely than men to live alone at ages 65 and older, making long-term care planning crucial](https://acl.gov/sites/default/files/Profile%20of%20OA/2021%20Profile%20of%20OA/2021ProfileOlderAmericans_508.pdf).
- ¹⁷ [National Library of Medicine: Approximately 50% of marriages end in divorce, with financial implications for both parties](<https://pmc.ncbi.nlm.nih.gov/articles/PMC7170305/>).
- ¹⁸ [National Institute on Retirement Security, 2021: Women are 80% more likely than men to be impoverished at age 65 and older](<https://www.nirsonline.org/2016/03/women-80-more-likely-to-be-impoverished-in-retirement/#:~:text=The%20key%20findings%20of%20this,poverty%20than%20their%20male%20counterparts>).

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