

BB&T

WEALTH



Women and Money

Taking Charge of Your Financial Future

Charting a Financial Course

BB&T WEALTH

Today, it's critical that women know how to **Save, Invest** and **Plan** for their future



Reasons for Optimism

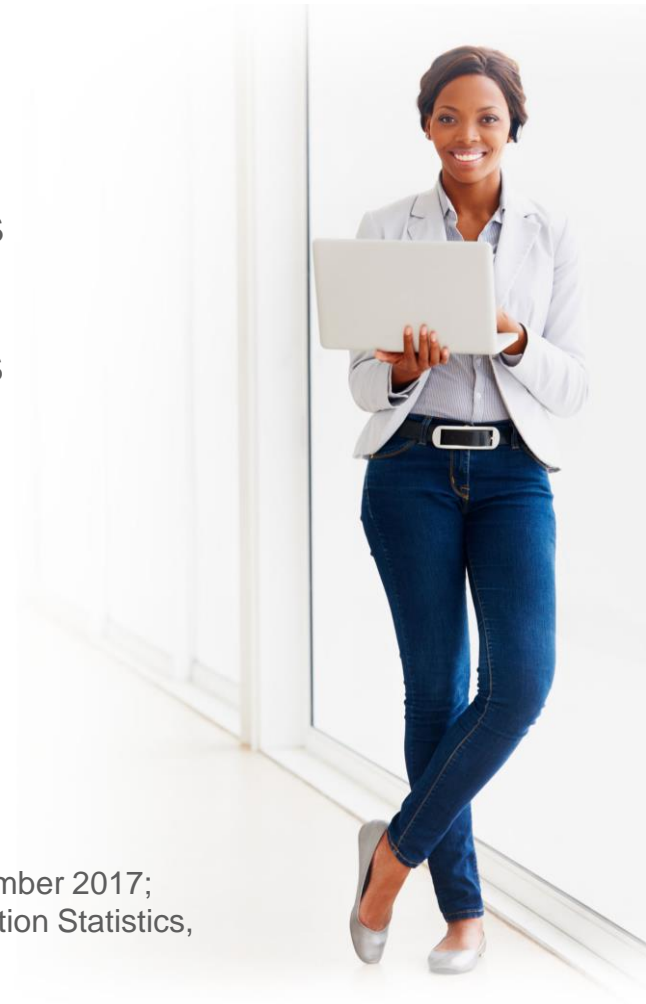
Women today have never been
in a **better position** to
achieve financial security



Women's Economic Clout



- Women make up almost half the workforce
- Women account for more than half of all workers in management, professional and related occupations
- Women own millions of businesses
- Women earn the majority of all bachelor's, master's and doctoral degrees



Sources: U.S. Department of Labor, Women in the Labor Force: A Databook, November 2017; National Association of Women Business Owners, 2018; National Center for Education Statistics, 2017 Tables and Figures, Table 318.30

Potential Financial Challenges



Women often face financial **challenges** their male counterparts don't



Potential Financial Challenges



- Women have longer life expectancies
- Women generally earn less income and have less savings
- Women are more likely to interrupt careers to raise children or care for family members
- Women often invest too conservatively

Sources: NCHS Data Brief, Number 328, November 2018; U.S. Bureau of Labor Statistics, Women in the Labor Force: A Databook, November 2017; U.S. Department of Labor Blog, Women and Retirement Savings, March 2017



Women Have Longer Life Expectancies



- Women on average live five years longer than men
- Retirement dollars will need to stretch further
- Women more likely to need long-term care and face some health-care needs alone
- Married women are likely to have sole responsibility for financial decisions and disposition of marital estate



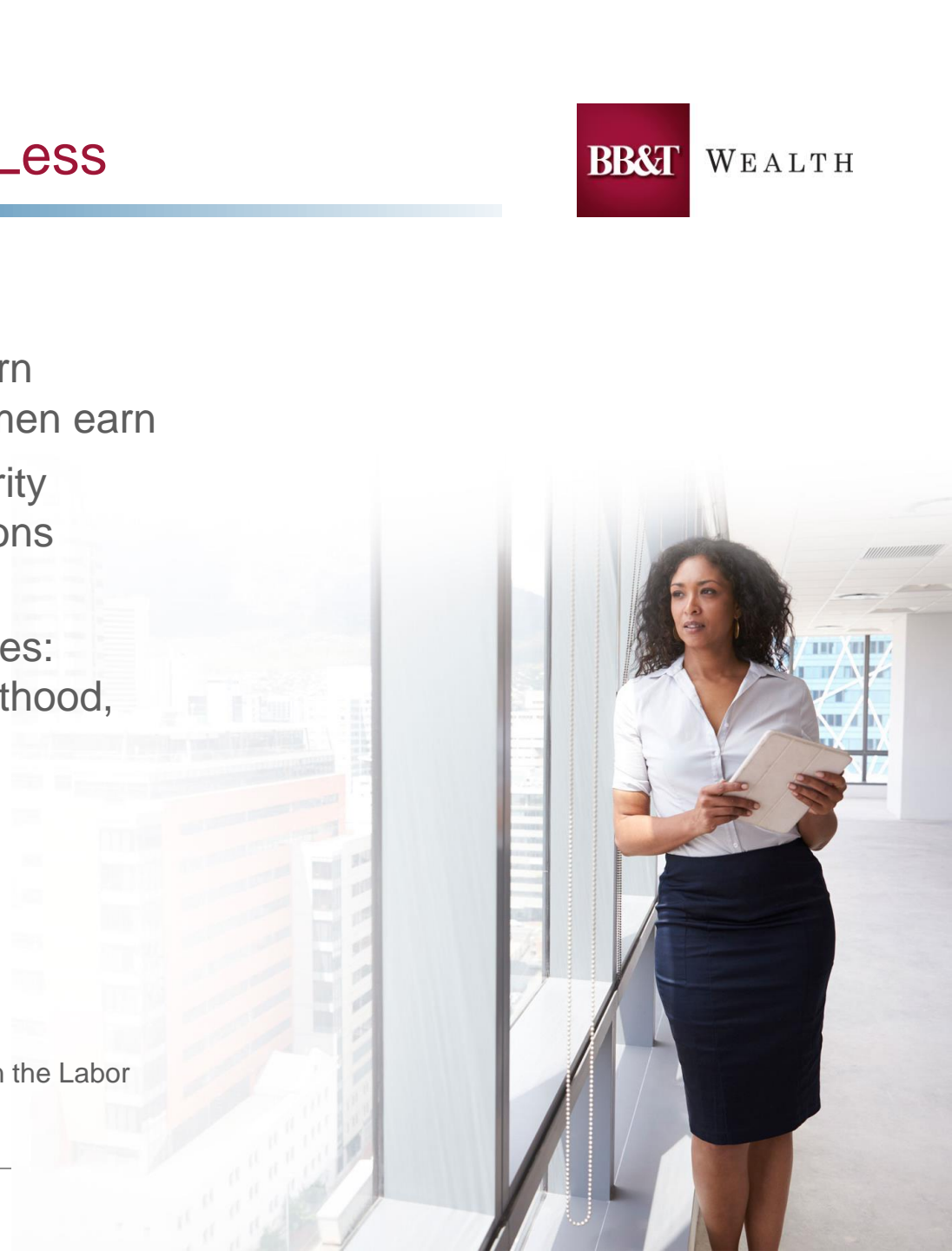
Source: NCHS Data Brief, Number 328, November 2018

Women Generally Earn Less



- Women who work full-time earn 82% – on average – of what men earn
- Impacts savings, Social Security retirement benefits and pensions
- Increased vulnerability to unexpected economic obstacles: job loss, divorce, single parenthood, illness, loss of spouse

Source: U.S. Bureau of Labor Statistics, Women in the Labor Force: A Databook, November 2017

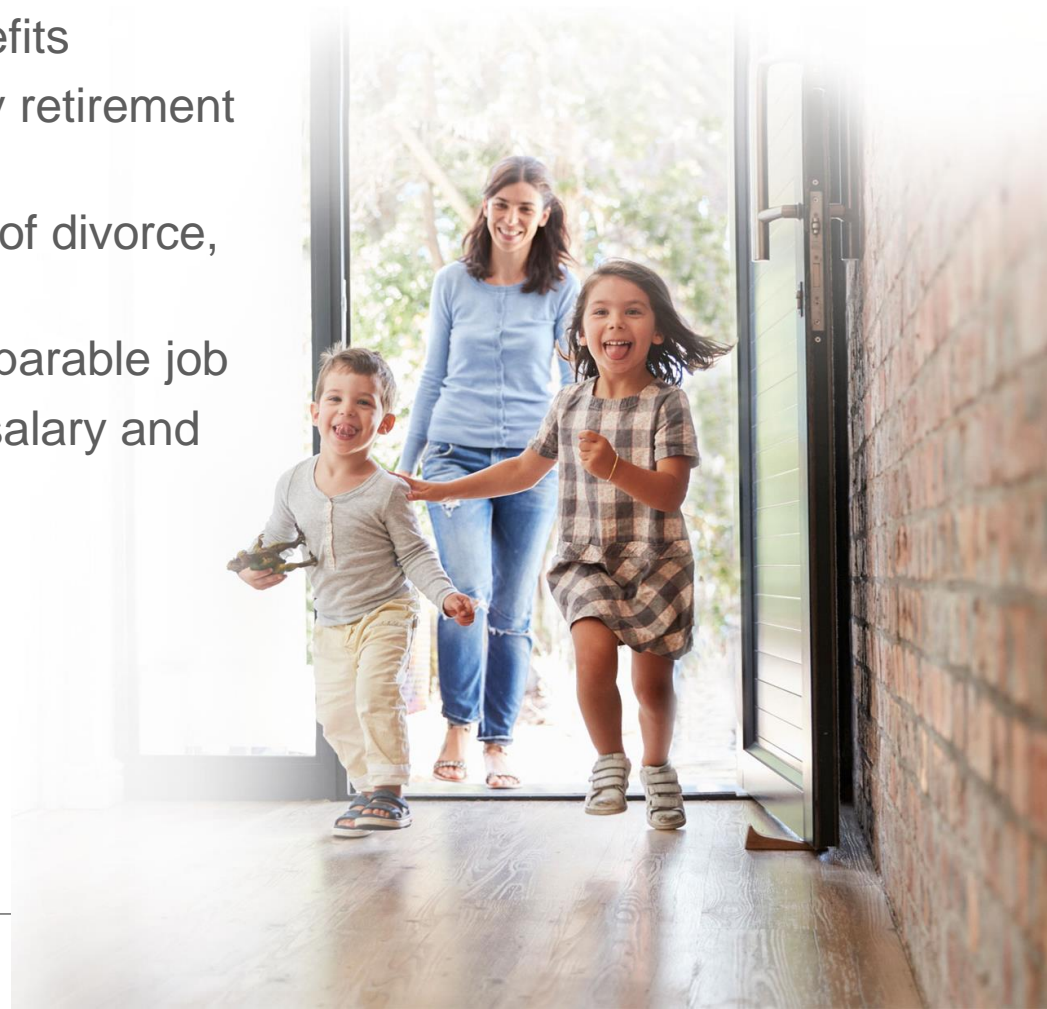


Women More Likely to Take Career Breaks for Caregiving



- Lost income and employer benefits
- Potentially lower Social Security retirement benefit
- Economic vulnerability in event of divorce, spouse's job loss
- Possible difficulty finding a comparable job
- Flexible schedules can impact salary and career advancement

Source: U.S. Department of Labor Blog, Women and Retirement Savings, March 2017



Women Tend to Invest Too Conservatively



- Inadequate retirement nest egg
- Loss of purchasing power due to inflation
- No risk = no reward



No One-Size-Fits-All



Not all women will face all of these **challenges**, but it's important to **move forward** financially with them **in mind**



Take Charge of Your Financial Future



Six things you can do:

1. Take control of your money
 2. Become a more knowledgeable investor
 3. Advocate for yourself in the workplace
 4. Plan for retirement
 5. Protect your income and assets
 6. Create an estate plan
-

1. Take Control of Your Money



- Realize you have responsibility for your financial well-being
- Know your cash flow
- Establish positive cash flow by budgeting, managing debt, living within means
- Create an emergency fund
- Establish and maintain good credit
- Set clear financial goals



2. Become a More Knowledgeable Investor



There's always room to **learn more**
and **adjust your plan** based on
your circumstances



2. Become a More Knowledgeable Investor



Just starting out

- Get some basic information
- Take small steps and learn as you go
- Don't postpone getting started
- Ask questions

More experienced

- Align portfolio with goals, time horizon and risk tolerance
 - Look for ways to manage risk
 - Understand what you own
 - Keep an eye out for investing ideas
 - Consider taxes, fees, inflation
 - Make ongoing adjustments
 - Have game plan for volatile markets
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2. Become a More Knowledgeable Investor



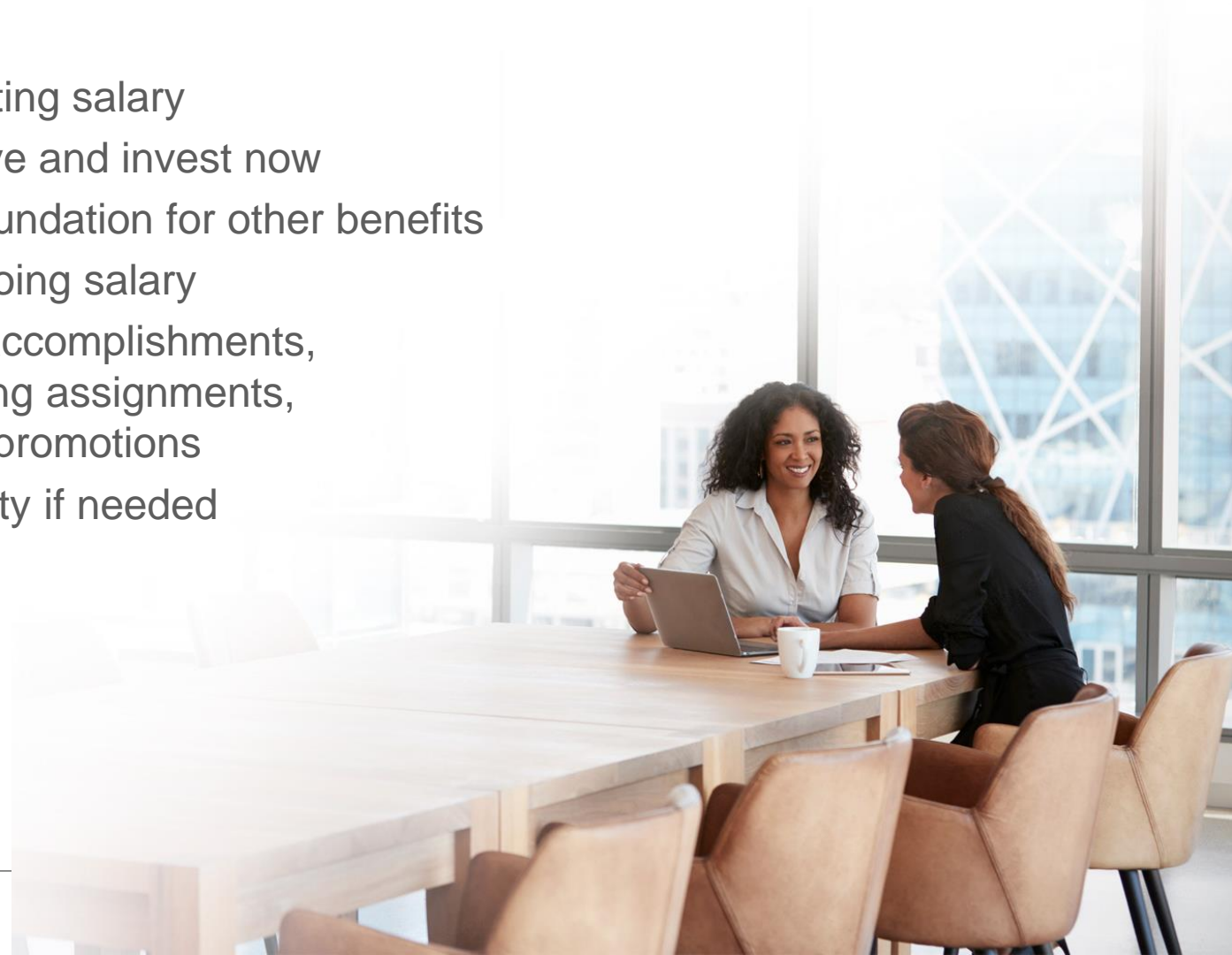
- Admit mistakes and move on
- Be risk averse – in the right way
- Know account numbers and passwords
- Know when to get help



3. Advocate for Yourself in the Workplace



- Negotiate starting salary
 - More to save and invest now
 - Salary is foundation for other benefits
- Research ongoing salary
- Speak up on accomplishments, take challenging assignments, ask for raises/promotions
- Ask for flexibility if needed



3. Advocate for Yourself in the Workplace

- Job flexibility
- Telecommuting
- Flexible hours
- Part-time work
- Growth trend



4. Plan for Retirement



Age you start saving for retirement	Save \$2,000 per year	Save \$5,000 per year	Save \$10,000 per year
	at age 65, you'll have...		
20	\$425,487	\$1,063,718	\$2,127,435
30	\$222,870	\$557,174	\$1,114,348
40	\$109,729	\$274,323	\$548,645
50	\$46,552	\$116,380	\$232,760
60	\$11,274	\$28,185	\$56,371

Note: This is a hypothetical example and does not reflect the performance of any specific investment. Results assume an average 6% return and do not account for taxes. Earnings are compounded annually.

4. Plan for Retirement



- Save as much as you can
- Put yourself first
- Join employer retirement plan e.g., 401(k), 403(b) plan
- Consider IRAs – traditional, Roth, spousal
- Set savings goal and keep track of progress



4. Plan for Retirement



Social Security is the major source of **guaranteed lifetime income** for most Americans

4. Plan for Retirement

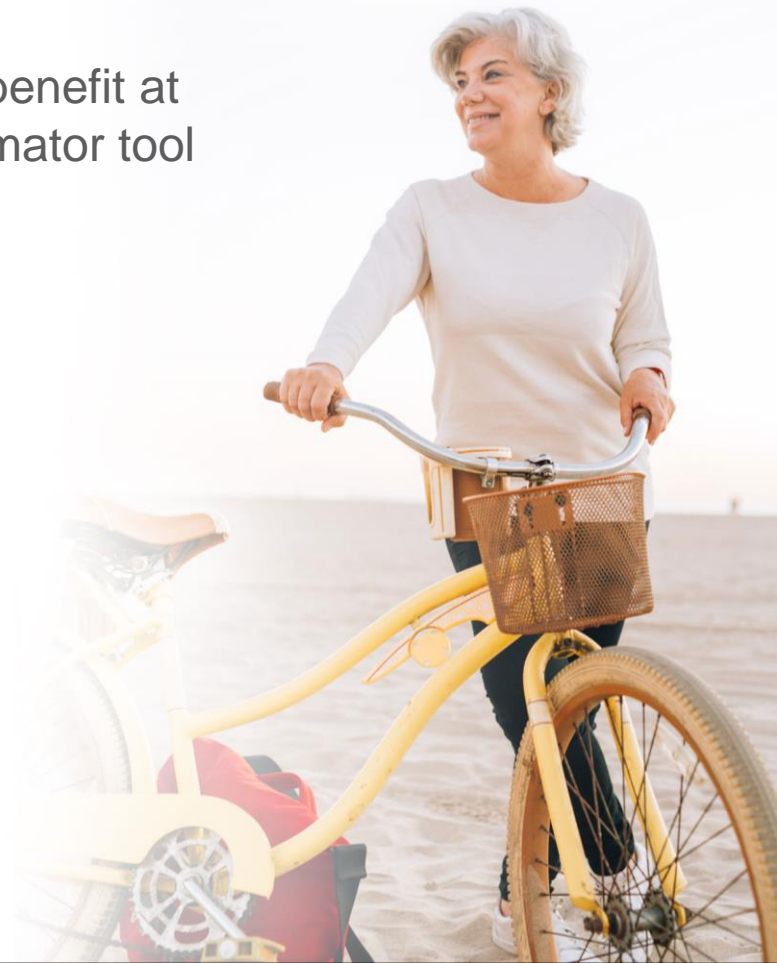


- Social Security provides retirement benefits
- Social Security also provides disability and survivor's benefits
- To qualify for retirement benefits, you generally need 40 credits (10 years of work), or you can qualify for spousal benefits based on your spouse's work record (spousal benefit = 50%)



4. Plan for Retirement

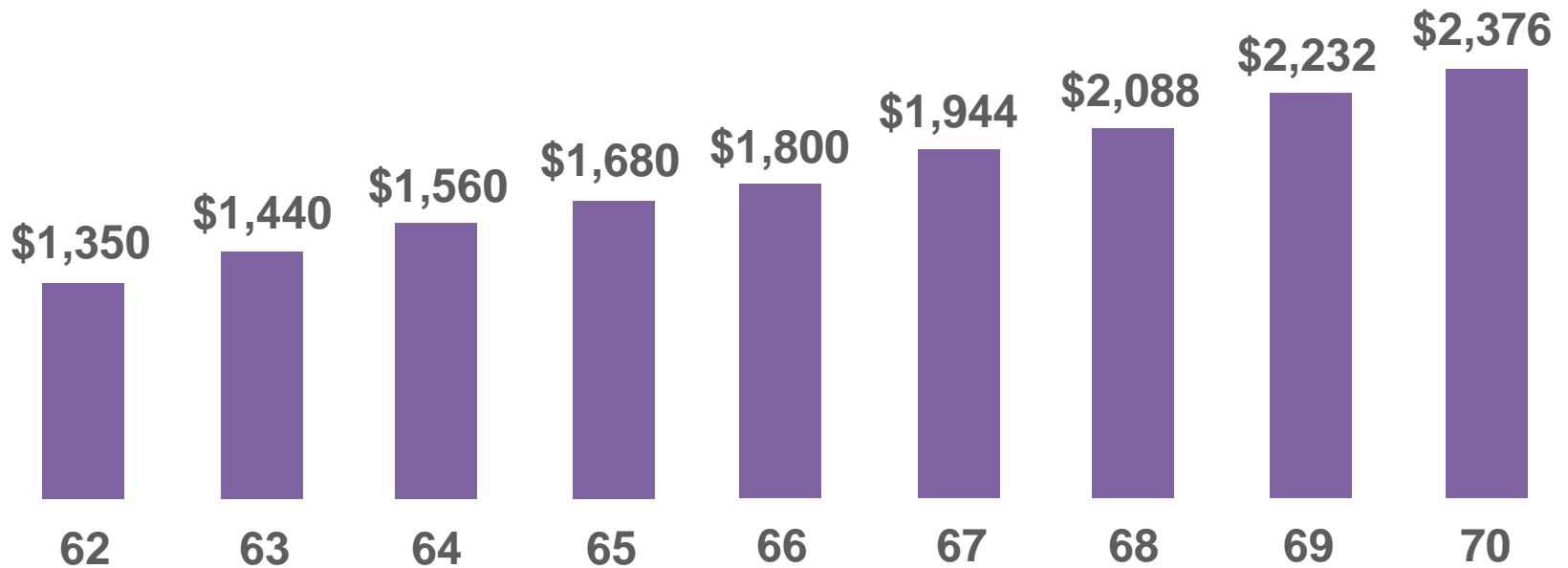
- Your benefit is based on the number of years you've worked and amount you've earned
- Get an estimate of your monthly retirement benefit at www.ssa.gov and using the Retirement Estimator tool or viewing your personal statement
- Age at which you start claiming benefits matters:
 - 62 – 25% to 30% less
 - 66 or 67 (full retirement age)
 - 70 – 32% more



4. Plan for Retirement



Monthly Payout Depends on Age You Start Taking Benefits



4. Plan for Retirement



Other things to think about:

- When you'll retire
- Retirement expenses
- Dealing with a shortfall
- Health-care expenses
- Longevity issues
- Distribution options, order to tap accounts, safe withdrawal rate



5. Protect Your Income and Assets



- Life insurance
- Disability insurance
- Home and auto insurance
- Health insurance
- Long-term care insurance
- Trusts
- Business entities

6. Create an Estate Plan



An **estate plan** is simply a **map** that reflects the way you want your **personal and financial affairs** to be handled in case of your incapacity or death



6. Create an Estate Plan



Incapacity

- Living will
- Health-care proxy
- DNR order
- Power of attorney
- Living trust

Death

- Will
- Testamentary trust
- No will – intestacy laws
- Will or no will – some property passes automatically (jointly owned property, property with designated beneficiary, trusts)

Overcoming Unexpected Obstacles

- Job loss
- Unplanned pregnancy
- Divorce
- Illness
- Financial help for adult children
- Caring for aging parents
- Loss of a spouse



What Financial Course Will You Chart?



It's all about **you**.

Your **goals**.

Your **dreams**.

Your **security**.




Thank You



Disclosures



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