



## TRINIDAD AND TOBAGO SECURITIES AND EXCHANGE COMMISSION

### *Article- International Women's Day 2013*

#### UN Women Executive Director's Message:

In commemorating United Nations International Women's Day 2013, *United Nations Women* Executive Director, Michelle Bachelet affirms that "Today on International Women's Day I join every individual who believes that change is possible. We are guided by a founding principle of the United Nations: the equal rights of men and women. All around the world, our voices are rising, and silence and indifference are declining. Change is possible. And change is happening."

#### Women and Investing:

In commemoration of International Women's Day and in an effort to raise the level of awareness with regard to women and investing, the Trinidad and Tobago Securities and Exchange Commission (TTSEC) is pleased to provide this article.

Statistics show that women live longer than men and consequently nine out of ten women will eventually become financial decision-makers in their households. Therefore, now is the time for women to become more financially literate. Here are some basic facts:

***Women have the influence.*** Women are a rapidly growing segment of the wealthy population and also account for a substantial section of the workforce. This means that women have a greater opportunity to discover the value of economic development and become financially independent.

***Women have the potential.*** Compared to fifty years ago, women are now attaining significantly higher education levels. In fact, a large percentage of Bachelors and Masters Degrees are being awarded to women.

<sup>1</sup>It is often said that women are better wired than men to avoid emotionally-driven mistakes. This is so because women tend to be risk averse, taking fewer risks than men, and having better control over their investment decisions rather than acting on impulse. This may in part be because women are oftentimes the primary spenders in the family and would rather be conservative in their decision making.

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<sup>1</sup> Ted Schwartz, M.A, *Women Make Better Investors Than Men, but Why? Go.com*

So the question is, are women smart investors? You be the judge.

Women have unique traits which can assist them in making smart investment decisions. These traits are:

- Patience and attention to detail;
- Willingness to ask questions and seek advice;
- Tendency to be savvy consumers;
- Propensity to rely on intuition.

### Why should women save or invest?

Savings and investing will allow you to:

- Manage your money and cope with unexpected expenses and emergencies;
- Afford things you need in the future;
- Borrow less;
- Ease financial stress; and
- Cater for retirement.

### Investing Tips for Women:

Having established the importance of saving and investing, here are some tips to consider:

#### **Manage family finances:**

There will always be instances when additional expenses arise such as children needing school supplies, the car needing repairs or your parents needing medical care. Women too often tend to forego long term savings to spend more on their children or grandchildren. While it is laudable to provide for our loved ones, we should find ways to accomplish this without compromising our financial well being.

#### **Set better savings goals:**

Due to the fact that today's inflation rate whittles away at the purchasing power of our incomes, more money should be put toward savings. Boosting our monthly contributions by adding just a little extra amount, can see us reaping the rewards in the long term, as time and compound interest work in our favour.

#### **Create your investment portfolio:**

As a result of their natural risk aversion, women tend to focus on stability rather than pursuing high returns via riskier investments. In an effort to obtain better returns however, women should try to diversify their investments through a mix of investment portfolios with both low and high risk instruments. Remember, the adage: *Don't put all your eggs in one basket*. If you are not sure how to go about doing this, seek advice from a registered financial adviser.

### **Get the right help:**

Women are skilled at shopping around for the best goods or service at the best price that meets their needs. Obtaining a financial adviser should be treated in the same way. Check the *Commission's listing of registered advisers* and shop around from the list to find someone with whom you feel comfortable. Remember, you should not be afraid to ask questions. Some persons may want to tell you to leave it all to them, but you have the right to information especially where it concerns your finances. Sit with your adviser and just as you would consult with your doctor or lawyer provide them with your financial goals and all other relevant information which would help them to develop a plan that works best for you.

### **Educate yourself:**

Most importantly, educate yourself! Do research from among the credible sources of information on different investment products. The investor resources tab on the TTSEC's website has a wealth of information in the form of articles and brochures on many different topics. Feel free to make use of this vital information. You can start by just dedicating an hour each week to reading and researching.

### **HOW TO INVEST WISELY:**

**I- Information**

You have the right to get information about any type of security or investment and how it works.

**N- Net Worth**

Determine your net worth, the value of all of your assets including cash, minus all liabilities.

**V- Vigilant**

Be vigilant and aware of the warning signs of scams and con artists. Remember, **If it sounds too good to be true it usually is!**

**E- Explore**

Explore your options. Do research in order to choose the type of investment that works best for you.

**S- Smart**

Be smart and make sure that the security, entity or individual is registered with the Commission.

**T- Track**

Track the progress of how well your investment is performing. Review important documents such as Annual Reports and your monthly statements.

**Remember, you hold the ultimate power to achieve your financial goals and turn your financial position into a positive one!**

**Happy International Women's Day, We salute you!**

A message brought to you by the TTSEC, visit our website at [www.ttsec.org.tt](http://www.ttsec.org.tt) to learn more.