



TRINIDAD AND TOBAGO SECURITIES AND EXCHANGE COMMISSION

Article- International Women's Day 2012

UN Secretary's Message:

In his message in commemoration of United Nations International Women's Day 2012, United Nations Secretary-General Ban Ki-Moon affirms that "the energy, talent and strength of women and girls represent humankind's most valuable untapped natural resource. Gender equality and the empowerment of women are gaining ground worldwide. There are more women Heads of Government than ever. Women are exercising even greater influence in business. More girls are going to school and are growing up healthier and better equipped to realize their potential."

Women and Investing:

In commemoration of International Women's Day and in an effort to raise the level of consciousness 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, the TTSEC also believes that women should not delay in becoming financially literate.

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.

¹It 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.

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

So the question is, are women smart investors?

It is stated that women have some unique traits such as:

- Patience and attention to detail;
- Willingness to ask questions and seek advice;
- Tendency to be savvy consumers;
- Propensity to reply on intuition. You know the saying “if it sounds too good to be true, it usually is!”

So why save or invest?

Savings and investing would 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:

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

Managing 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 goal:

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:

Being risk averse, 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. Don't 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 credible sources for 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.

Remember you hold the ultimate power to achieve your financial goals.

Happy International Women's Day, We salute you!

A message brought to you by the TTSEC, visit our website at www.ttsec.org.tt to learn more.

