

BlackRock®

Women, Wealth and Well-Being



Agenda

1

**Women in the
world today**

2

**What does
wealth mean
to you?**

3

**Investing:
beyond the
headlines**

4

**Build your
foundation**



Women in the world today





Women's power is growing...

**Congress
has highest
percent of
women in
U.S. history**

**1,242 female
athletes
at 2018
Olympics**

**Start
businesses
at 2X the
rate of men**

**57% of
recent
degree
earners**

**Increased
leadership
roles**

Sources: Center for American Women and Politics, Olympic.org., United States Census Bureau, National Center for Education Statistics as of 2016, Pew Research Center



...and so are their assets.

Women are:

- On their way to holding the **majority of wealth**
- Set to inherit **70% of \$1 Trillion** in intergenerational wealth
- **Breadwinners** or co-breadwinners in majority of homes
- In their lifetime going to be **solely responsible** for their finances
- Projected to **own \$72T** of total global private wealth by 2020

A woman is rock climbing a large, textured rock face. She is wearing a white helmet, a grey tank top, and brown shorts with green trim. She is using a rope and a climbing harness. The rock face is composed of various shades of brown, tan, and grey, with visible cracks and crevices. The background is a solid blue color.

There are still a number of challenges

- They earn **82 cents** per dollar a man earns
- Women tend **not** to see themselves as investors
- Career breaks can mean **missed job** opportunities
- **43%** of women haven't started saving for retirement



What do women want?

- ✓ **Be secure financially**
- ✓ **Feel confident about investing**
- ✓ **Be debt free**
- ✓ **Balance different goals**
- ✓ **Invest to fulfill goals**
- ✓ **Learn about investing**

Source: 2019 BlackRock Investor Pulse.



**What does
“wealth”
mean to you?**





It's Personal. Put your wealth in the **spotlight**.



**Support
my
family**



**Pursue
creative
interests**



Independence



**Focus on
wellness**



Travel



**Volunteer
and
donate**

Wealth



What are your goals?

S. Specific

M. Measurable

A. Achievable

R. Relevant

T. Time-bound

- **Dollar amount**
- **Timeframe**
- **Needs vs. wants**



Needs vs. wants

Short-term:

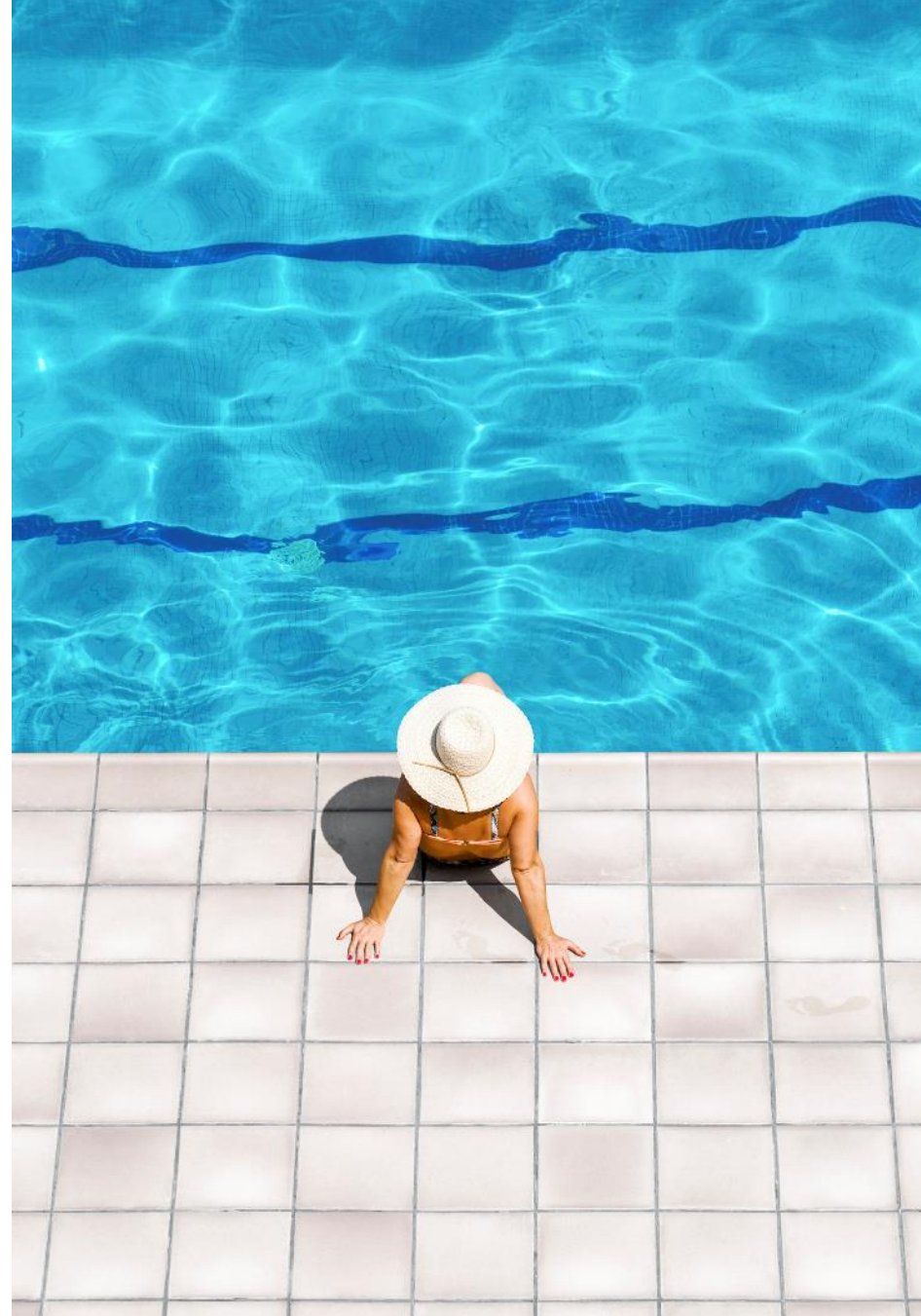
- **Need:** Pay off \$10K credit card debt
- **Want:** Save \$2K to take mom on trip

Medium-term:

- **Need:** Re-finance mortgage
- **Want:** Invest in 529 plan for grandchild

Long-term:

- **Need:** Save \$1M for retirement
- **Want:** Buy second home in Cape Cod



Investing: Beyond the Headlines



CNN BUSINESS Markets Tech Media Success Perspectives Videos

The global coronavirus recession is beginning

London (CNN Business) — As restaurants, shops, airlines and factories shut down from New York to Paris and Madrid, economists are warning that a global recession is a looming threat. It's here.

Dire economic data released by China on Monday showed that the country's economy contracted in the first two months of the year, the first time since 1992. The world's second-largest economy is unlikely to recover any time soon.

Now, with governments and central banks in Europe and North America announcing measures to try to control the pandemic, Asia still on high alert, and [meltdown](#), a growing number of experts say that a global contraction is inevitable.

"Whereas 10 days ago there was some legitimate uncertainty about whether the global economy was in the process of going into recession — 10 days later it is," David Wilcox, former head of research and statistics at the Federal Reserve Bank of New York, told CNN Business.

The Coronavirus Outbreak

White House

Coronavirus

THE WALL STREET JOURNAL

White House Projects Grim Toll From Coronavirus

imated the
mericans. New
le may not

Economic uncertainty

Increased anxiety

Coronavirus Weighs on Americans: 'I Don't Think There Is an Easy Answer'



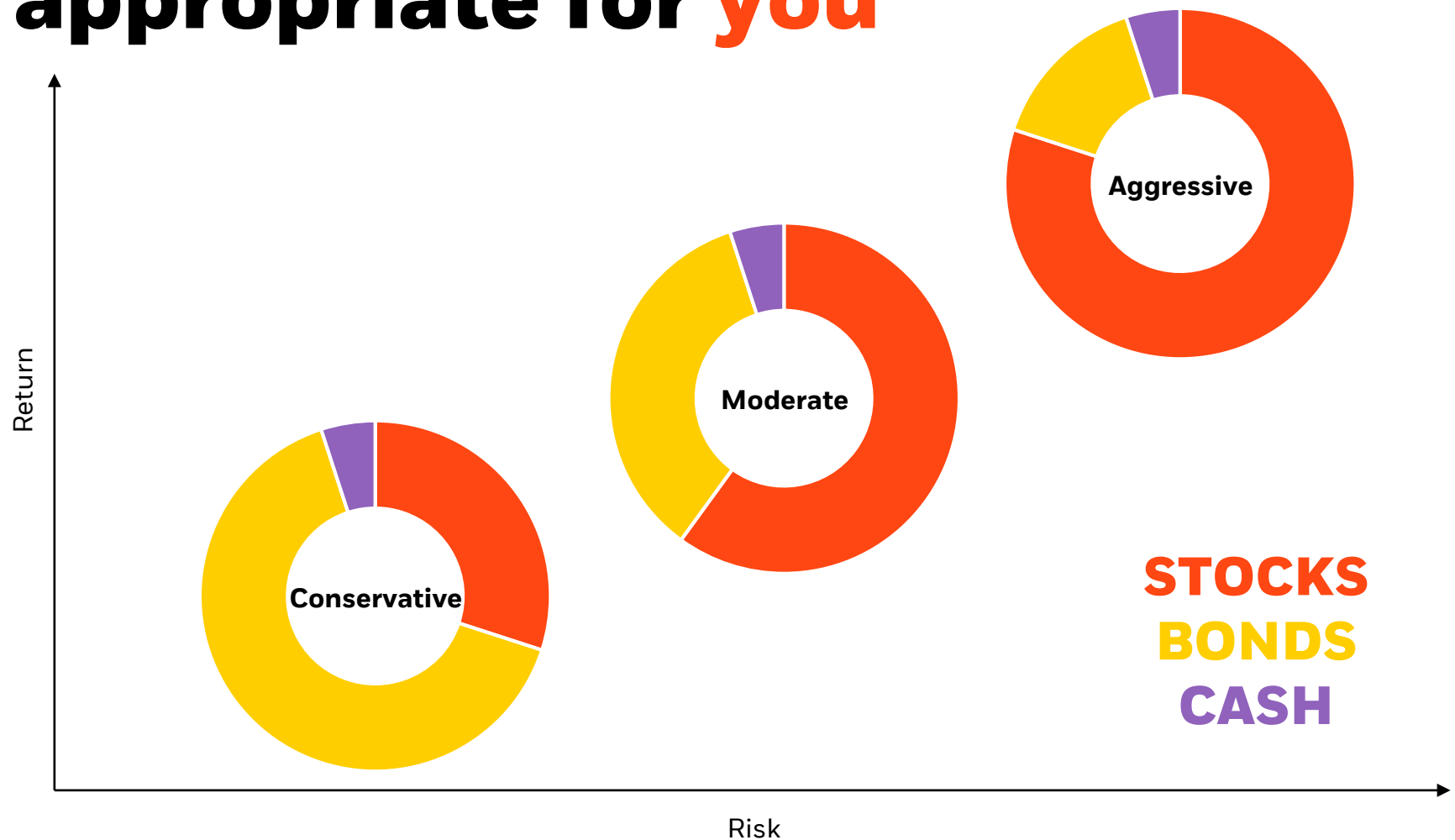
What is Risk?



**How much risk are you
willing to take on?**



Your investment profile determines investments appropriate for **you**





How your investments fare year to year can be unpredictable...

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Sm cap 26.9%	Fixed income 7.8%	Lg cap value 17.5%	Sm cap 38.8%	Lg cap core 13.7%	Lg cap growth 5.7%	Sm cap 21.3%	Lg cap growth 30.2%	Cash 1.9%	Lg cap growth 36.4%
Lg cap growth 16.7%	Lg cap growth 2.6%	Int'l 17.3%	Lg cap growth 33.5%	Lg cap value 13.5%	Lg cap core 1.4%	Lg cap value 17.3%	Int'l 25.0%	Fixed income 0.0%	Lg cap core 31.5%
Lg cap value 15.5%	Lg cap core 2.1%	Sm cap 16.4%	Lg cap value 32.5%	Lg cap growth 13.1%	Fixed income 0.6%	Lg cap core 12.0%	Lg cap core 21.8%	Lg cap growth -1.5%	Lg cap value 26.5%
Lg cap core 15.1%	Div portfolio 1.8%	Lg cap core 16.0%	Lg cap core 32.4%	Div portfolio 8.1%	Div portfolio 0.1%	Div portfolio 8.7%	Div portfolio 15.1%	Lg cap core -4.4%	Sm cap 25.5%
Div portfolio 13.0%	Lg cap value 0.4%	Lg cap growth 15.3%	Int'l 22.8%	Fixed income 6.0%	Cash 0.1%	Lg cap growth 7.1%	Sm cap 14.7%	Div portfolio -4.7%	Int'l 22.0%
Int'l 7.8%	Cash 0.1%	Div portfolio 12.2%	Div portfolio 20.3%	Sm cap 4.9%	Int'l -0.8%	Fixed income 2.7%	Lg cap value 13.7%	Lg cap value -8.3%	Div portfolio 22.0%
Fixed income 6.5%	Sm cap -4.2%	Fixed income 4.2%	Cash 0.1%	Cash 0.0%	Lg cap value -3.8%	Int'l 1.0%	Fixed income 3.5%	Sm cap -11.0%	Fixed income 8.7%
Cash 0.1%	Int'l -12.1%	Cash 0.1%	Fixed income -2.0%	Int'l -4.9%	Sm cap -4.4%	Cash 0.3%	Cash 0.9%	Int'l -13.8%	Cash 2.3%

Source: Informa Investment Solutions. Past performance is no guarantee of future results. The information provided is for illustrative purposes and is not meant to represent the performance of any particular investment. Assumes reinvestment of all distributions. It is not possible to directly invest in an index. Diversification does not guarantee a profit or protect against loss. Cash is represented by the ICE BofA ML 3-month Treasury Bill Index. Diversified portfolio is composed of 35% of the BBG Barclays U.S. Aggregate Bond Index, 10% of the MSCI EAFE Index, 10% of the Russell 2000 Index, 22.5% of the Russell 1000 Growth Index and 22.5% of the Russell 1000 Value Index. Fixed income is represented by the BBG Barclays U.S. Aggregate Bond Index. International is represented by the Morgan Stanley Capital International (MSCI) EAFE Index. Large cap core is represented by the S&P 500 Index. Large cap growth is represented by the Russell 1000 Growth Index. Large cap value is represented by the Russell 1000 Value Index. Small cap is represented by the Russell 2000 Index.



But the risk of those investments is more predictable

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Sm cap 23.2	Sm cap 22.3	Int'l 16.0	Int'l 11.6	Sm cap 14.9	Int'l 14.6	Sm cap 17.5	Sm cap 7.4	Sm cap 18.5	Sm cap 17.1
Int'l 22.0	Int'l 18.7	Sm cap 12.4	Sm cap 10.4	Int'l 9.3	Sm cap 13.9	Int'l 12.9	Lg cap value 5.2	Lg cap growth 16.7	Lg cap value 12.9
Lg cap growth 19.2	Lg cap value 16.5	Lg cap growth 11.1	Lg cap value 9.1	Lg cap growth 8.9	Lg cap growth 13.4	Lg cap value 10.6	Lg cap growth 4.4	Lg cap core 14.7	Lg cap growth 12.8
Lg cap value 18.4	Lg cap growth 15.3	Lg cap core 10.1	Lg cap core 8.1	Lg cap value 7.9	Lg cap core 13.1	Lg cap growth 10.5	Int'l 4.0	Lg cap value 13.5	Lg cap core 12.3
Lg cap core 18.4	Lg cap core 15.3	Lg cap value 9.8	Lg cap growth 7.7	Lg cap core 7.9	Lg cap value 12.4	Lg cap core 9.8	Lg cap core 3.8	Int'l 11.9	Int'l 11.0
Div portfolio 11.9	Div portfolio 10.4	Div portfolio 7.1	Div portfolio 6.2	Div portfolio 5.8	Div portfolio 8.0	Div portfolio 7.0	Div portfolio 2.0	Div portfolio 9.3	Div portfolio 8.2
Fixed income 2.8	Fixed income 2.3	Fixed income 1.9	Fixed income 3.1	Fixed income 2.2	Fixed income 2.8	Fixed income 3.6	Fixed income 1.5	Fixed income 3.0	Fixed income 3.3
Cash 0.0	Cash 0.0	Cash 0.0	Cash 0.0	Cash 0.0	Cash 0.0	Cash 0.1	Cash 0.1	Cash 0.1	Cash 0.1

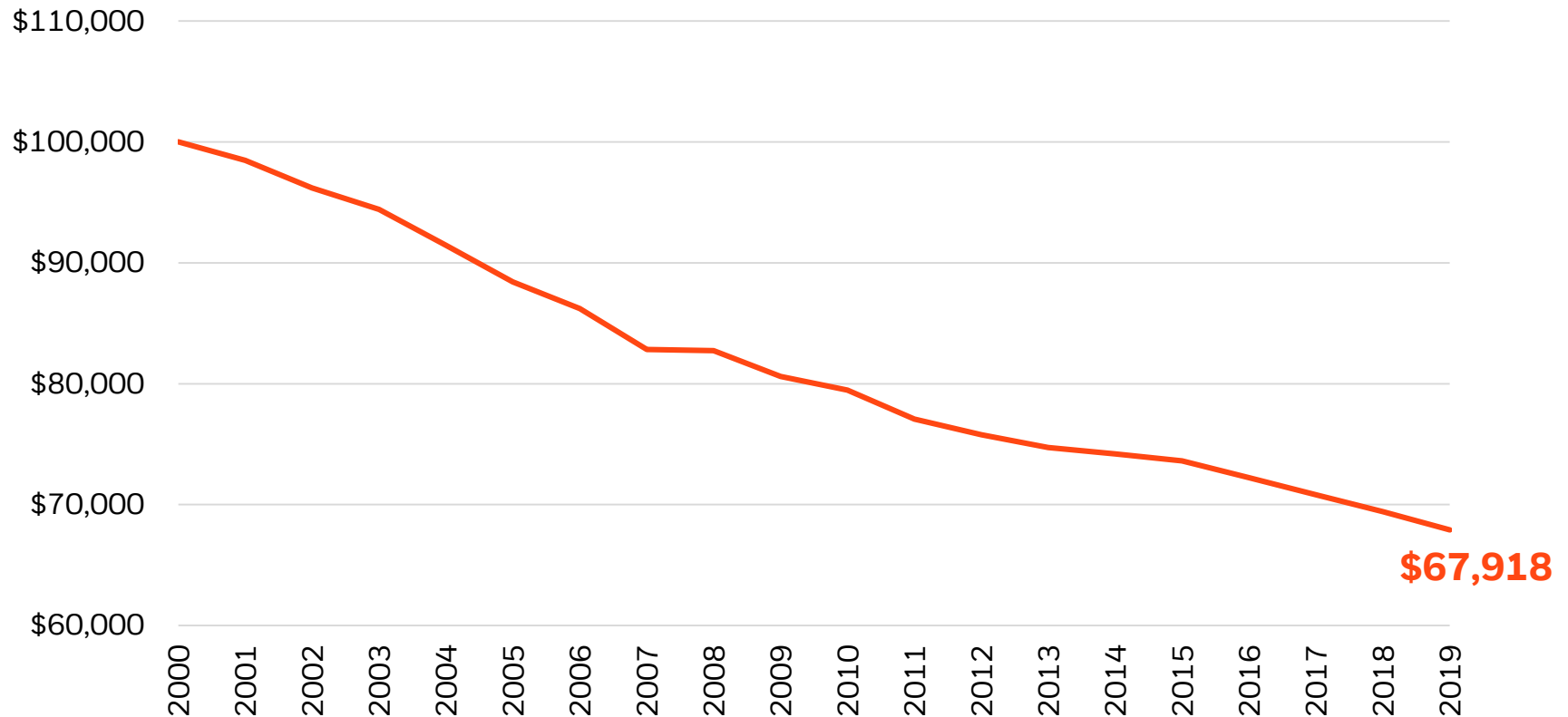
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Don't sit on the sidelines

Erosion of purchasing power

Cumulative inflation (12/31/2000-12/31/2019)



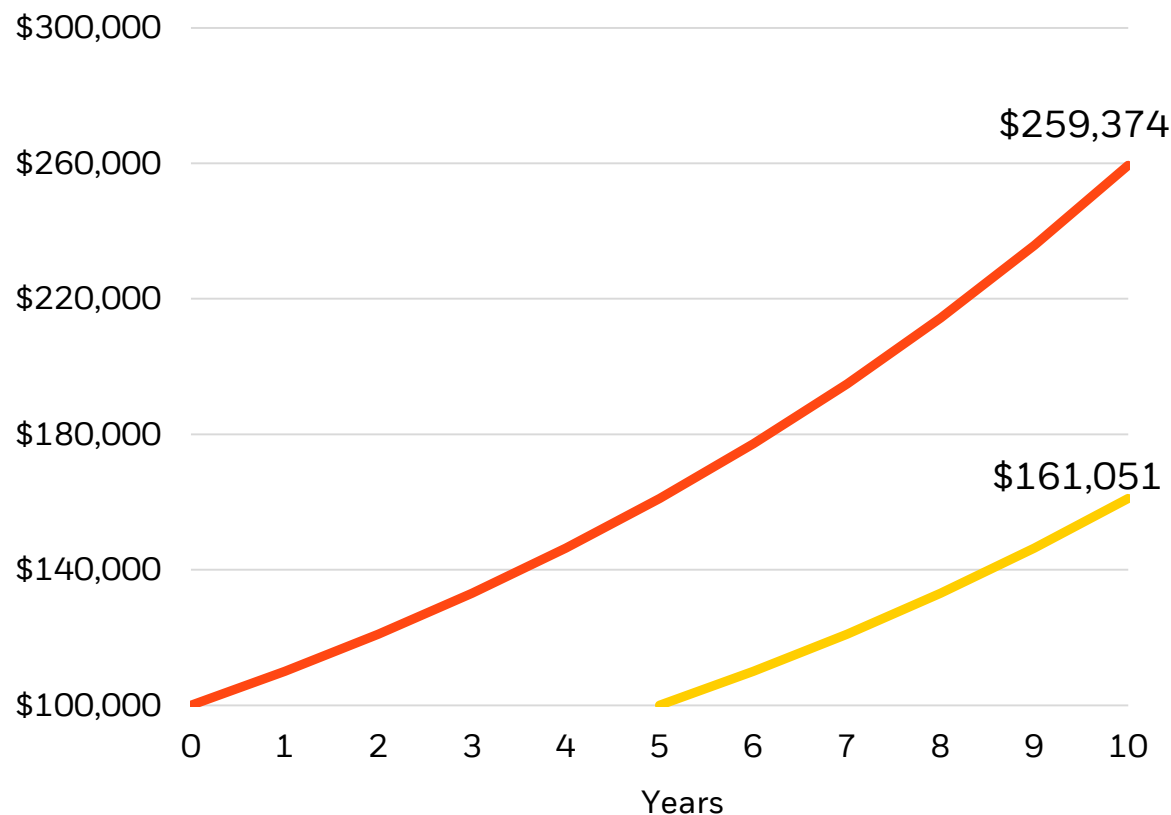
Source: BlackRock, Informa Investment Solutions as of 12/31/19. Inflation represented by the Consumer Price Index. For illustrative purposes only. Past performance does not guarantee or indicate future results. You cannot invest directly in an index.



Waiting for the “right time to invest” can leave you behind

Compound interest makes time your friend

Growth of hypothetical \$100,000 investment assuming 10% annual yield



Money earned:

- Over 10 years: \$159,374
- Over 5 years: \$61,051

Investing for 10 years vs. 5 years would result in **261%** more earnings

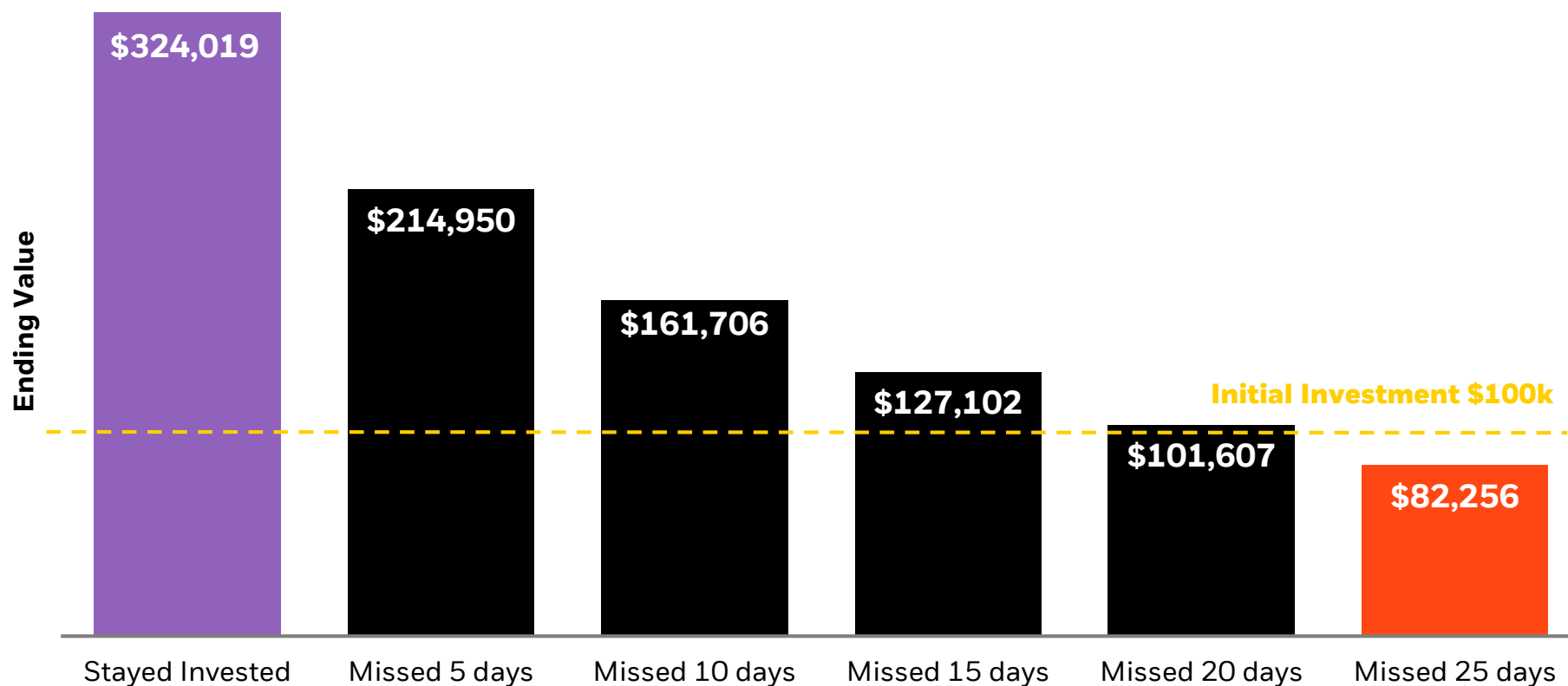
For illustrative purposes only. Not meant to represent the past or future performance of any particular fund or index.



Time in the market vs. timing the market

Missing top-performing days can hurt your return

Hypothetical Investment of \$100,000 in the S&P 500 Index over the last 20 years (2000-2019)



Source: Morningstar. Past performance does not guarantee or indicate future results. Index performance is shown for illustrative purposes only. You cannot invest directly in an index.



Trust diversification – even when it’s hard

Years	S&P 500	Diversified portfolio
2000*-2002	-40.1%	-18.6%
2003-2007	82.9%	73.8%
2008	-37.0%	-24.0%
2009-2019	351.0%	191.7%
Total Return	211.4%	213.5%
Gr \$100k	\$311,420	\$313,510



“I lost money”



“I didn’t make as much”



“I lost money”



“I didn’t make as much”



“Diversification wins even when it feels like its losing”

Source: Morningstar as of 12/31/19. *Performance is from 8/1/00 to 12/31/00 to more accurately reflect the time period encompassing the previous two bull and bear markets. Past performance does not guarantee or indicate future results. Diversified Portfolio is represented by 40% S&P 500 Index, 15% MSCI EAFE Index, 5% Russell 2000 Index, 30% Bloomberg Barclays U.S. Aggregate Bond Index, and 10% Bloomberg Barclays US Corporate High Yield Index. Index performance is for illustrative purposes only. You can not invest directly in the index. **Past performance does not guarantee or indicate future results.** Diversification does not guarantee a profit or protect against a loss in a declining market.

Build Your Foundation for Wealth and Well-being

5 steps to build your financial foundation

- 1 Get organized**
- 2 Define your goals**
- 3 Know your numbers**
- 4 Get invested**
- 5 Plan for your unique life path**





1

Get organized

Getting organized is one of the keys to financial security

Collect

- **Investment statements**
- **Recent tax returns**
- **Insurance policies**
- **Retirement accounts**
- **Estate and trust documents**



2

Define goals

Write down your goals

Every goal has three elements:

- **Dollar amount**
- **Time frame**
- **Needs vs. wants**

What do you need to get there?



3

Know your numbers

Net worth



Assets

What you own



Liabilities

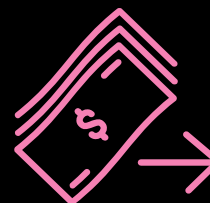
What you owe

Cash flow



Income

What goes in



Expenses

What comes out



4

**Get
invested
in a
diversified
portfolio**

How to get started

- **Know yourself. Your goals.
Your needs.**
- **Ask for help**
- **Know your options**
- **Start now**
- **Stay invested**



Your unique path



5

Plan for your unique path

Your life is unique. So is your financial strategy.

- **Caregiving**
- **Health**
- **Social Security**
- **Life After Divorce or Loss**
- **Estate Planning**



Parenting & Caregiving

And it has a cost:

\$48,000 / year for assisted living on average

\$100,375 / year for private room in nursing home

Source: Genworth Financial, 2018.





Invest in your health

Be prepared:

\$10,739 / year on average

**Women need long-term care
for an average of 2.5 years**



Source: National Healthcare Expenditure Data, 2017; Morningstar, 75 must-know statistics about long-term care, 2018.



Understand your Social Security and Medicare Options

**Consider all eligible benefits to set strategy
for when to collect each**

3 types of benefits

- 1** Individual
- 2** Spousal
- 3** Survivor

3 milestone ages to collect

- 1** 62: Earliest
- 2** Range: Full Retirement Age
- 3** 70: Latest

Source: Social Security Administration (www.ssa.gov).



Spousal benefits

Spousal Benefits

- Married 1 year
- Your spouse must be collecting
- Your benefit must be less than $\frac{1}{2}$ of your spouse's full-retirement age benefit

Ex-Spousal Benefits

- Married to ex-spouse for 10+ years
- Unmarried
- Both are at least age 62
- Divorced for at least 2 years*

Source: Social Security Administration's Annual statistical supplement, 2018. Assumes full retirement age of 66 and primary insurance amount of \$2,200.

*2 years does not apply if the individual was eligible for spousal benefits at the time of divorce.

Source: Social Security Administration (www.ssa.gov).



Survivor benefits

Jordan
PIA: \$2,200

Alex
PIA: \$600

Jordan's Benefits (63 ½)
\$1,833



Survivor Benefits
\$1,833

Jordan's Benefits (70)
\$2,904



Survivor Benefits
\$2,904

Source: Social Security Administration's Annual statistical supplement, 2018. Assumes full retirement age of 66 and primary insurance amount of \$2,200.

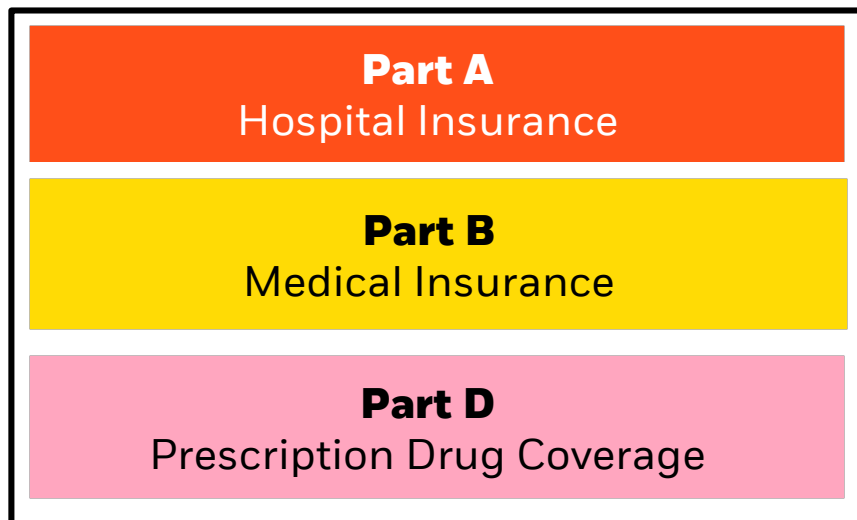
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Source: Social Security Administration (www.ssa.gov).

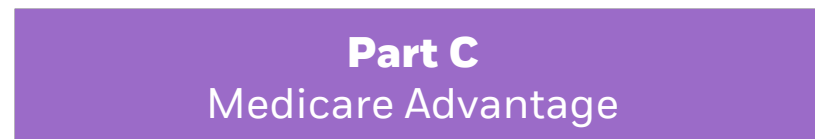


What is Medicare?

A federal health insurance program for people 65 and over*



Medigap



Enrollment Periods for Part B

Initial

7-month period between
age 64 and 9 months and
age 65 and 3 months

General

Jan 1-Mar 31 each year
Surcharges may apply

Special

Anytime while covered by a
current employer's plan or
within 8 months of separation

Source: www.medicare.gov

* And for many disabled people.



Life After Divorce or Loss

Divorce

- Know your numbers
- Insurance – life and health
- Consider child support
- Work with attorney
- Protect what's yours
- Your home (sell or hold?)

Spousal Loss

- Pre-plan if you can
- Be patient before making decisions
- Estate Planning



Protect your wealth

Why build an Estate Plan?

- To position assets to go where intended
- To ensure that assets are taxed efficiently
- To protect and communicate with your loved ones

Assemble important documents

- ✓ Will
- ✓ Power of Attorney
- ✓ Directive to Physicians (Advance Directive)
- ✓ Patient Authorization
- ✓ Declaration of Guardian



Take action

Assemble Your Team of Professionals

- 1 Get organized**
- 2 Define your goals**
- 3 Know your numbers**
- 4 Get invested**
- 5 Plan for your unique life path**



Source: Kathleen Miller, Fair Share Divorce for Women.



**Talk to your
financial
professional.**



Open Discussion

What financial actions are you going to take?
What is something you learned today?

Important notes

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