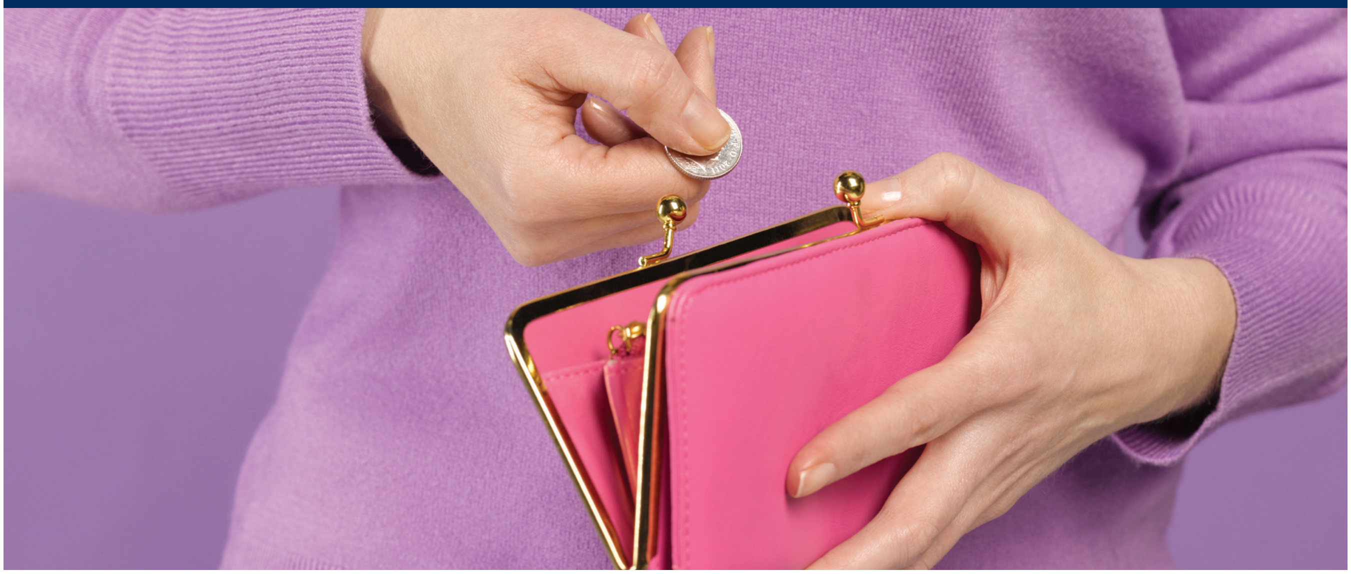
SUCCESSFULWOMEN

TIMELY INVESTMENT AND FINANCIAL PLANNING TOPICS



What's your money mindset?

Understanding your motivators can help you better control your wealth journey

Sensible about dollars and cents? More carefree than careful? Planner or play-it-by-ear? Your money personality affects more than just your portfolio, it likely affects your relationships, too – with your spouse, your siblings and your children. Money means different things to different people, and it's vital to have a conversation about your spending, investing and saving habits so that you and your family will be on the same page.

According to financial psychologist Dr. Brad Klontz, "We have beliefs clunking around in our heads, and for many of us, they've been passed down from our parents." But if we take the time to dig into our partners' attitudes as well as our own, we may be able to better appreciate what drives financial decisions, recognize roadblocks and make meaningful progress toward our shared goals.

While there are a few broad stereotypes, only you, your family and your advisor will truly understand your motivations. You may not fit squarely into any of these boxes, but you may recognize a few of your own traits or those of your loved ones somewhere in the mix.

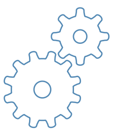
THE ROOKIE

You're thrifty and idealistic – and you're likely saddled with student debt as you try to launch a rewarding career. You're optimistic and hope to align your personal and professional lives with the values you hold dear. You're not likely to be a big spender, but when you do spend, it's on memory-making experiences like vacations.

(continued on next page)

What's your money mindset (cont.)

Bottom line: You're just starting out and might fear an unpredictable market. While understanding your risk tolerance is essential to investing well, remember that you need some risk to grow wealth. Fortunately, you've got time on your side as well as the power of compounding. Use both to your advantage.



THE FORWARD THINKER

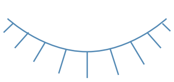
You're a little older with an established career. You're buying houses, having children, aiming for that corner office. You're busy and earning more than ever, but most of your money may already be spoken for, earmarked for retirement or a child's education. You've got more money than time, and varying priorities compete for attention.

Bottom line: It's a struggle to find time to dig into your investments and manage everyday expenses as well as your emergency savings. You prefer to delegate some of those decisions to an advisor, offering input along the way.

THE INFLUENCER

You work hard and play harder. You're always hustling so you can enjoy the finer things in life. You drive a nice car, carry the latest phone and eat Instagram-worthy meals. For you, your self-worth is tied to your net worth. You believe there's no such thing as too much money, and you splurge regularly.

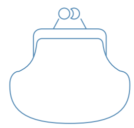
Bottom line: For you, a budget may not seem exciting, but it's a way of holding up a mirror to overspending and staving off debt. You may not enjoy sharing control over financial decisions with someone else, but a trusted source can serve as a guardrail to get you closer to your long-term goals.



THE OSTRICH

An ostrich sticks its head in the proverbial sand and avoids thinking about money. You're not quite sure how much you have, what you spend or what you owe. And you may feel overwhelmed when it comes to financial details.

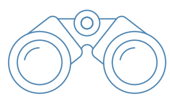
Bottom line: Ignoring your finances could mean missing out on an employer's 401(k) match or not understanding your household expenses should you ever need to take over. If you find money management complicated or cumbersome, rely on your advisor and automate other aspects, like bill paying or contributing to your 401(k).



THE STOCKPILER

You watch every penny, prioritizing saving and frugality. The goal is to have more money than you need, which gives you a feeling of safety and control. You may also feel uncomfortable talking about money, even with those closest to you. If you're tired of worrying about money, you may want to assign more of the daily details to your advisor, who can shoulder some of the responsibility.

Bottom line: Saving is a wonderful habit, but if you sock most of your money away in cash and conservative investments, you may be too risk averse. Strike a balance to help you reach your short- and long-term financial goals and enjoy the journey.



THE SCOUT

The Scout is well-prepared for the long haul. You see money as a tool and are willing to use it to achieve your goals. You understand that not everything will go your way, but you're cautiously optimistic that a long-term plan will eventually get you where you want to go – no matter what is happening in the headlines.

Bottom line: You manage money with both your head and your heart, relying on expert advice when you need it. Be sure to build a trustworthy team of professionals, including an accountant and estate planning attorney, to ensure you maintain balance in all aspects of your financial life.

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Planning for your financial future, like climbing a mountain, is a journey that each of us approaches a little differently depending on what we hope to achieve, our time horizon and our willingness to take on risk at that particular moment. The one thing we all have in common is the need for a guide to help us forge a path to prosperity. ■

NEXT STEPS

Level up your financial prowess by:

- Being honest about your financial tendencies and identifying habits
- Talking to your family about what your shared financial goals look like
- Speaking to your advisor to determine how you can achieve your dreams

All investments are subject to risk, including loss. Sources: ally.com; sofi.com; motleyfool.com; nerdwallet.com; investopedia.com; moneyharmony.com; empower.me; kiplinger.com; Raymond James research; University of Minnesota

On your terms

A guide to help reconstruct your social life post-pandemic

From the time we're born (even beforehand, based on studies of twins in utero), humans want to be social. According to the Centers for Disease Control and Prevention (CDC), loneliness is associated with higher rates of depression, anxiety and worse. And having poor social relationships is associated with increased risk of heart disease and stroke.

The pandemic forced us to find new ways to socialize. But now that we have a chance to start reconnecting in real life, we also have the opportunity to reconstruct our social lives. It might feel weird at first, but here are some tips to help you reconnect thoughtfully and overcome the awkward:

Do consider who you want to reignite a relationship with. With the time and space to reflect on what's most meaningful in life, you may have realized not everyone on Facebook is worthy of your time. It's OK to bow out of brunch with way-back-when buddies if you're not into it. Respectfully decline.

Do give yourself more time if you need it. Just because it seems like everyone is starting to party like it's 2019 again doesn't mean you have to. Give yourself grace if you're still working through mental health challenges brought on by the pandemic. (You're not alone. During the pandemic, about 4 in 10 adults in the U.S. reported symptoms of anxiety or depressive disorder.)

Do encourage others to reengage with those who mean the most to them. Interestingly, men more easily let relationships go than women do, according to a study published in the American Sociological Review. So husbands, sons and dads might need an extra push.

Do find a new routine. A lot of our social connections are built into our schedule, like happy hour every Thursday or cycling class on Mondays. When that routine is broken, the social connection is lost too. But this is a chance to create different habits that may work better for you.

Don't be afraid to create physical boundaries that are comfortable for you. Friends may get giddy and go straight for the bear hug. But if you're not there yet, let them know. It's ideal to discuss your comfort levels before meeting up so expectations are set.

Don't beat yourself up. Remember that everyone is just getting back out there. However, if you're feeling a sense of dread about connecting with someone in particular, you may want to reevaluate that relationship.

Don't take it personally if your besties have boundaries that are different than yours. Just as you should assert your comfort level, be respectful of others'. Obey their wishes to mask up or dine outside, for example.

It's significant for our well-being to have social connections. But the pandemic also gave us a reason to pause – and reflect. So step back and construct your new social life carefully, and more meaningfully. And now that your debit card is making an appearance more frequently too, talk to your advisor about reestablishing a "fun" budget so you can start to enjoy life again without the worry of getting overzealous and going overboard. ■

NEXT STEPS

Before you meet up with friends, gauge their comfort level by asking:

- Would you prefer we meet outdoors?
- Would you prefer I wear a mask?
- Are you comfortable with hugs/handshakes?

Sources: wired.com; cdc.gov; kff.org; healthline.com

Mini, midi or maxi?

What hemlines have to do with the economy

Hemlines, high heels and lipstick aren't typically what you think about when it comes to economic forecasting. But "indices" based on each exist. That's right, there are certainly some interesting (and fun?) ways economists make market connections and attempt to predict a boom or a bust. (Warning: These should be used for amusement only.)

We can take these fashion-based forecasts with a grain of glitter, er, salt. But these so-called indices can be entertaining to explore.

THE HEMLINE INDEX: EXPLAINED

In 1926, economist George Taylor stated that he could predict the economy based on hemlines. He said when they went short, it meant the economy was in good shape. And if hemlines trended longer, the markets would be headed for a slide.

The funny thing is the hemline theory was "proven." But it actually works opposite from what Taylor thought. In 2010, economists did quantitative data analysis on monthly hemline data from 1921 to 2009 and found that hemlines shift following the economy – by about three to four years. In other words, poor economic times meant hemlines would creep closer to the floor within a few years. And prosperity meant miniskirts would start showing up within that same time frame.

It's quirky and entertaining – but there are lots of problems with using this as a source of truth. Manufacturing isn't as big a proportion of the U.S. economy as 100 years ago and designers don't typically set hemlines anymore. Further, no one cares how short – or long – your hemline is. Wear what you want and feel good doing it.

Sources: medium.com; forbes.com; huffpost.com; investopedia.com

OTHER INDICES

If you're not buying the hemline index (we're not so sure either), try these on for size – for a topic at your next brunch, perhaps, but not to guide your investments … that's what an advisor is for.

Lipstick index: In the recession following 9/11, lipstick sales increased. Women sought an affordable luxury, instead of splurging on expensive clothing and accessories. The lipstick index fell apart during the pandemic though – because, masks.

High heel index: According to research from IBM about a decade ago, an economic downturn meant higher heels. As the height shrinks, so does the possibility for a recession. Kitten heels and ballet flats mean an upswing is on the way.

REAL TRENDS

Amusement aside, if you're looking for economic indicators to lend insight into the health of the market, consider indices based on real disposable personal income, producer prices, consumer prices and confidence and employment indicators. Better yet, your advisor can help guide your next move based on your personal financial situation and goals. ■

NEXT STEPS

If you're curious about where the market is headed:

- Consider subscribing to financial news sites and sign up for automatic alerts
- Follow trusted financial social media handles for passive updates and ask your advisor for professional investment commentary and analysis
- Ask your advisor to lend insight based on your timeline and goals