

CONFIDENT INVESTING

A WEALTH-BUILDING GUIDE FOR WOMEN



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Introduction

AS I PREPARED to write this introduction, I happened upon a picture of my mother and four of her sisters. It was taken in the 1950s in a nightclub; they were sitting at a table all dolled up in fitted black dresses. That picture allowed me to see her as a vibrant, beautiful woman with a full life ahead and not just my mother. Like so many women of her day she sacrificed for others and took on roles that did not always benefit her economically. After attending one of my seminars she said, “The chains and shackles are being taken off women as they learn how to take care of themselves financially.” Those words are my reason for writing this book.

Women’s incomes have increased significantly in the past twenty years, and yet at this writing there are new statistics indicating that two thirds of women age 55 and older live in poverty. *Confident Investing: A Wealth-Building Guide for Women* will provide you with the tools you need to create a life of abundance.

Each chapter begins with a woman’s story and provides you with a real-life example of the challenges you may face as you begin your financial journey. These women changed my life as we faced their challenges, and they can change yours, too. All of the women had to take control of their finances and learn how to create wealth for themselves. You can be financially empowered too! Let the women in this book become your money mentors. If you haven’t had anyone to show you how to invest, then consider these stories a gift. Use these experiences as your model for success. Apply the lessons they learned to your own situation. At the end of each chapter, you should capture your thoughts and ideas by writing them down in the “Reader’s Journal” area that we have provided. As you identify specific steps

Erma



was the daughter of a farmer and the fifth of ten children. Life on the farm in the 1940s was harsh, backbreaking work. Erma and thousands of young women like her saw marriage as the only way out.

At seventeen, Erma caught sight of a confident young man carrying a briefcase and promising to travel the world. With only three months left before her high school graduation, Erma married him and left home.

True to his word, he traveled the world with Erma during his term in the Navy. He eventually settled into a job with an airline; Erma gave birth to five children. When her youngest started school, Erma went to work in an automobile factory. With combined incomes, the family was solidly middle-class and enjoyed vacations, a modest but nice home and the belief that the future would always be the same.

Erma was in her tenth year at the factory when her husband chose to pursue his dream of living in Hawaii. She and the kids went with him. A few years later, without her own checking account or any established credit of her own, Erma left her husband. She was no longer middle-class. She was impoverished.

Twenty years later, Erma survives each month on social security, a small pension from the auto factory and support from her children.



Chapter 1

Why Investing Is Essential

THE BOTTOM LINE

Investing is no longer optional if you want to retain control of your choices now and for life.

ERMA is my mother. As her child, I have lived her choices, as my children are living mine. As a young girl, I adopted her belief that having a man and having financial security were one and the same. I was liberated from that belief the day my parents separated.

I was eighteen and about to enter college. My mother was living in one of the most expensive parts of the country, suddenly having to support herself and quickly spiraling into poverty. I vowed to never depend on anyone to support me. And I promised myself that I would get smart about money.

My experience and promise to myself were what drove me to become a stockbroker. They are also what drive me to help women take control of their financial lives.

Realities

My mother's story is not unusual. And it is not limited to women over 70. To some degree, most of us hold beliefs about roles and money that limit and endanger us financially. It's time to get past them and move into a place where men and women take personal responsibility for their financial success.

We women know how to get a job done. Our brains are wired for doing many things at once. Investing was made for our kind of thinking. It's fast, it's moving, it takes some planning, we can prepare it now and pick it up later, it's interesting and it makes for good conversation—that is, if we would just start talking about it.

If we're so amazing, why have so many of us hesitated to invest? I think the answer to that question lies in how we view wealth and success. For many women, me included, making financial decisions puts us in conflict with the world's perception of us. Isn't the stock market a man's domain? Shouldn't we wait for someone to give us permission? If I get smart at investing, will I seem like less of a woman?

These questions seem outdated, but then, so is our hesitancy to invest. Deferring to a man (a spouse, father, brother, adviser) for financial decision-making is still the picture that many of us have. We must erase it or erase our chances at a life that holds good things for us and those we love.

Changing our perception of ourselves is the first step toward becoming more confident about investing. Wall Street may have been designed by men for men, but money doesn't care whether you are male or female. Invest it wisely and it will grow for you.

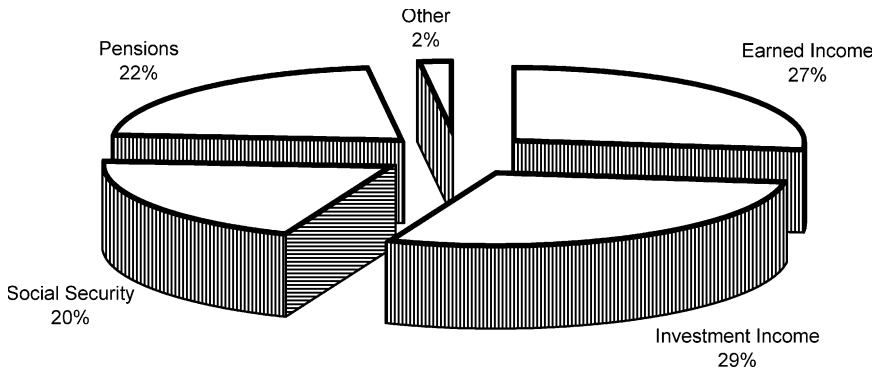
Your life depends on how well you invest. Sound scary? It is. Despite the gains that women have made in our society, we are still more likely to live in poverty at retirement than our male counterparts. In fact, women comprise 85 percent of the elderly poor.

Despite the significant strides that we have made in the work force, we are still likely to have to depend on our children or a relative to take care of us later in life. This alone is motivation to build enough wealth to stay in charge of our lives to the end.

The real game of chance is to *not* invest . . . and still expect to have enough money to live as you hope you will.

As you can see from the following “Sources of Retirement Income” chart, you will need an assortment of income streams to successfully complete your life with enough money. Social Security was never meant to be a person's sole retirement income—yet most women in poverty rely on it to live. Most of these women lived middle-class lives before their retirement years.

SOURCES OF RETIREMENT INCOME



If Erma had known then what she knows today, she would have done things differently:

- ⚙️ She would not have mistaken love and marriage for financial security.
- ⚙️ She would not have limited her career choices by limiting her education.
- ⚙️ She would have established a purse of her own.
- ⚙️ She would have put money away for her retirement when she was a young mother.
- ⚙️ She would not have sacrificed her own future financial needs and quality of life.

Fortunately for you and me, we live in a new day of women and money, and as women we are collectively opening the door for one another to a new way of protecting ourselves and our children from poverty and limited choices.