**COVID-19: Financial Recovery Strategies for Women**

Women face unique financial concerns. Each of those unique financial concerns and considerations have been impacted by the COVID-19 pandemic. Whether it is the **income gap between male and female workers, the reality of women’s longer lifespans, the challenge of women’s multiple roles and responsibilities, or the negative impact of unforeseen life changes,** women have specific challenges that should be a part of their short- and long- term financial plans. The unprecedented circumstances resulting from the COVID-19 pandemic and the ongoing recovery make it even more important that women have a solid financial plan in place.

I hope that the following information will be of help to you as both a **context for financial market realities** and as **a resource for how you can take positive steps forward to attaining your financial goals.**

Historic market volatility has been a reality across the globe in recent weeks. The spread of COVID-19 has precipitated a record drop in the stock market and a sharp plunge in bond yields, sending the U.S. into its first bear market in over a decade. People around the world are facing a health crisis that’s driving an economic crisis, which rightfully so, is leading to high levels of anxiety for families and individuals concerned about their wellbeing and financial situation. Unfortunately, it's too soon to tell just how long this environment will last. So, what can you do to cope with the market volatility in the meantime? And what can we learn from past global pandemics?

**Virus outbreaks and stock market performance**

There is no doubt that this pandemic is different and has caused a larger dislocation than past virus outbreaks. However, it’s encouraging to recall that financial markets have historically rallied following major health crises. Markets have generally delivered positive returns in the six to 12 months following the peak of a virus outbreak.

This isn’t to say that investors should stick their heads in the sand and pretend the downturn isn’t happening—this is a very serious and difficult situation. Eventually though, markets should return to some level of normal, and the economy will come back to life. Of course, the past is no guarantee of future results, but historically even the worst markets have been temporary dips in a general march higher for stocks.

**So, what about the unique financial concerns that women face? and What should women do during this time of market volatility and recovery to address those concerns:**

**Addressing the Income Gap that Women Face:**

* **If you are employed, be sure to make the most of your workplace benefits**

**-- Assess any health, life and disability income insurance**

**-- Understand your employer sponsored retirement plans, like 401(k)s and employer matching and**

 **utilize tac advantages and investment options in these plans**

* **Invest wisely – Determine your risk tolerance. Get invested and stay invested. Diversify.**

**--Look for a mix of investments to help reduce risk. A mix of investments with different tax treatments**

 **can help you manage your tax liability over time.**

**Addressing the Reality of Women’s Longer Lifespans:**

* **Women live on average 4.8 years longer than men, but it can be considerably longer.**
* **Women should save more, consider working past typical retirement age, consider a balanced portfolio mix,**

**and make sure they are protected with life insurance, and disability income and long-term care insurance.**

* **Working longer means more years of compound interest earned on your investments.**

**Addressing the Reality that Women Fulfill Multiple Roles and Responsibilities:**

* **Women have familial, workplace and community Roles**

**--Parenting is a big responsibility on all fronts – including your finances**

**--75% of family caregivers are female. You may be caring for aging parents as well as your children.**

 **--Be sure that you talk with your family about financial goals, that you are protected if something unexpected**

 **Happens, and that you have access to all the financial information you need.**

* **Women often give more to charity than men and are more likely to volunteer. Be sure to plan for your immediate and long-term charitable giving of your time and resources.**

**Addressing the Impact of Unforeseen Life Changes:**

* **Changes that often impact women’s finances – divorce, widowhood, unexpected health event**

**--Know your realities of Social Security Benefits and your rights as a beneficiary of a spouse’s qualified retirement plan following a divorce or widowhood.**

**--Make sure your affairs are in order by updating your beneficiary designations, power of attorney, last will and testament, and health care directive**

**What strategies can I use during this time of volatility and market recovery?**

**Remember the power of diversification:** Instead of simply selling your stocks in an attempt to cut your losses, review your portfolio to see if it is properly balanced between stocks, bonds, and cash that align with your goals, time horizon and your ability to manage risk. While a diversified portfolio can’t guarantee profits or protect against all losses, it can greatly reduce the impact of volatility.

**Stay focused on your-long term goals:** Remember, your investment strategy is based on your goals, not headlines. While it’s important to be aware of the news related to COVID-19, particularly from a health perspective, be careful not to let your emotions affect your investing. Try to keep your portfolio on a steady course. Volatile periods in the market can create good opportunities to either invest more or to adjust your portfolio as needed. But make sure any investment decisions you make are in the long-term interests of achieving your financial objectives.

**Revisit your views on risk:** There’s nothing like a significant market downturn to remind you that investing involves risk. Market swings provide an opportunity to re-assess the level of risk in your portfolio and determine whether you still think the amount is appropriate for your circumstances. The level of comfort (or discomfort) you feel when the market moves up or down substantially is a good starting point on whether your portfolio fits your risk profile.

 **Meet with a financial professional:** If you are concerned about the recent performance of the markets, it may be a good time to sit down with your financial advisor. Together you can talk about your financial goals for the future and what steps you can take next to start on the path to achieving them.

***Knowledge is power.* Become empowered through knowledge about your unique financial challenges as a woman. Learn how you can effectively address those challenges in order to achieve your financial goals.**

**“Good Business is always personal.” ……Cody Sims**

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