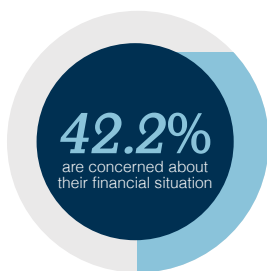


# Why Are Women Better at Investing and Why They Aren't

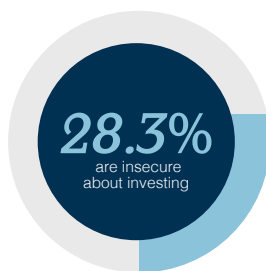
Although fewer women are investing than men, it doesn't automatically mean they are poor investors. According to a 2017 study by Fidelity Investments, they outperform men by **generating higher returns by 0.4% on average**.<sup>1</sup>

## But what's holding women back from realising their investment potential?

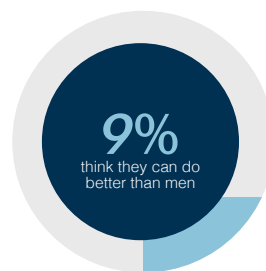
Many women do not invest because:<sup>2</sup>



They are active worriers



They lack confidence



They are not optimistic about their chances of success

### Gender Perspectives on Investing

Women are more focused on dealing with daily finances and not investing because they were taught that at an early age.<sup>3</sup>



29%



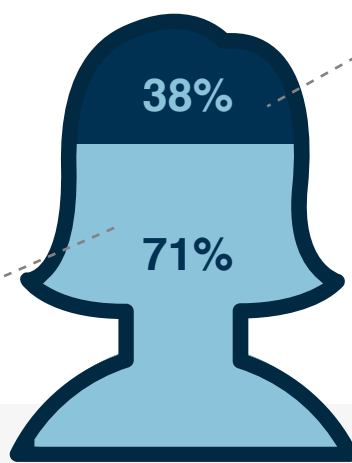
41%

41% of men were taught about investing early compared to only 29% of women

Women are also generally less engaged in investment decisions. **Only 38% were found to be active participants** while 71% are more hands-on on general household budgets and financing.

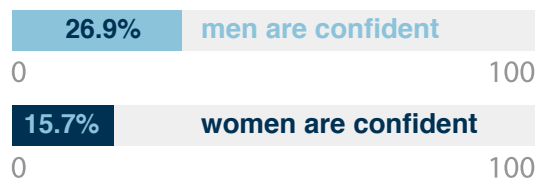


more hands-on on general household budgets and financings



45% of men trade more than women because they see it as a game they need to win compared to women who look at investing as a means to accomplish their goals of financial security.

### Women need to be more comfortable and confident in the concept of investing.



### Looking at the bright side...

Even with these reservations, studies revealed that women are eager to make better investment decisions.

**92%** want to learn more about financial planning.

**75%** want to learn more about money and investing.

**83%** want to get more involved in their finances within the next year.<sup>4</sup>

### Women are doing a good job at taking the right steps.

1. Women are **saving more** from their income.<sup>5</sup>

Women save an annual average of 9.0% of their paychecks.

Men save an annual average of 8.6% of their paychecks.

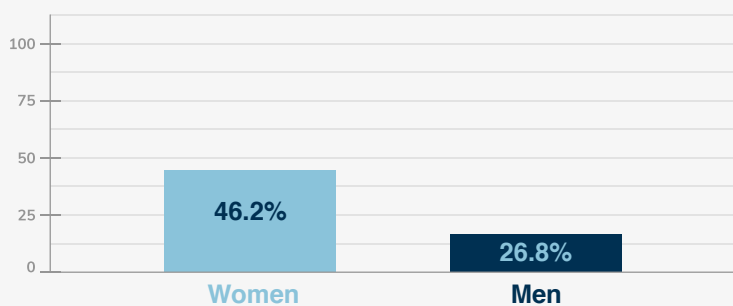
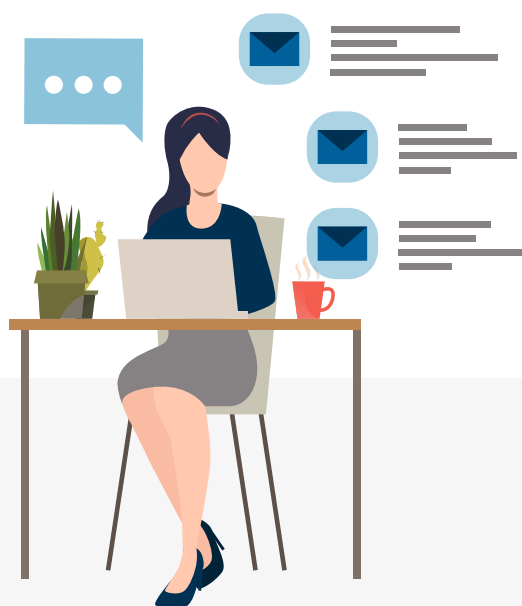
2. Women are **setting aside** more in their savings accounts.

Women added an average of 12.4% to their account balance.

Men only added an average of 11.6% to their account balance.

3. Women are **calculating risks**.

46.2% of women exercise caution when investing compared to only 26.8% of men.<sup>6</sup>



### Reasons women hold back can be used to help move them forward and make better investment decisions.

- Women may not be as aggressive in investing but that only means they want to make the right decision so they **evaluate the risks** and **exercise due diligence** before making a move.
- Women are more likely and **willing to learn** more about investing.
- Women **plan purposely** and **take on a holistic approach**.
- Women are **focussed** on achieving the goals they have set for themselves and their families, which is why they tend to be more conservative.
- Women are **more patient** when making investment decisions.



#### Sources

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- <sup>2</sup> Chantiri, Emily, "Worry And Lack of Confidence Top Barriers for Women Investing," The Sydney Morning Herald, 13 March 2019, <https://www.smh.com.au/money/investing/worry-and-lack-of-confidence-top-barriers-for-women-investing-20190311-p513am.html>
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- <sup>4</sup> "Money Fit Women Study: Executive Summary," Fidelity Investments, FMR LLC, [https://www.fidelity.com/bin-public/060\\_www\\_fidelity.com/documents/women-fit-money-study.pdf](https://www.fidelity.com/bin-public/060_www_fidelity.com/documents/women-fit-money-study.pdf)
- <sup>5</sup> "Who's the Better Investor: Men or Women?" Fidelity Investments, FMR LLC, <https://www.fidelity.com/about-fidelity/individual-investing/better-investor-men-or-women>
- <sup>6</sup> "The Financial Power of Women," Fidelity International, FIL Responsible Entity (Australia) Limited, PDF File, 2019, <https://www.fidelity.com.au/insights/investment-articles/the-financial-power-of-women/>

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