

# How Women are Taking Stock in Their Financial Futures

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**STASH**



\*The CEE is a paid partner of Stash



# Today, we'll explore...

1. **How we got here.**

Historical barriers contributing to today's gender wealth gap

2. **What we're seeing now.**

Qualitative and quantitative trends among female investors

3. **Investing basics.**

Simple investment principles for the classroom and in your own life

4. **How to continue the fight.**

Everyday strategies to increase financial empowerment

How we got here.

# The fight for financial independence dates back to the **1700s**.



What we're seeing now.

A gender gap still  
persists.



# Today's culture:



Information



Community



Empowerment



# Men receive more financial education.

70%

Roughly 70% of men were taught about finances at a young age, compared to just **54% of women**.

2x

Men are nearly 2x as likely to have learned about **investing** when they were younger compared to women.

Research based on a survey conducted online within the United States by LaForce on behalf of Stash using Censuswide technology in between February 23-25, 2021. The survey was completed by 2,069 people. Of the 2,069 individuals: 60% (1,235) identified themselves as females, 39% (816) identified themselves as males. This material has been distributed for informational purposes only, and is not intended as investment, legal, or tax advice. This content is for informational purposes only. Investment advisory services offered by Stash Investments LLC, an SEC registered investment adviser.



# Women feel less prepared for the long term.

50%

Nearly half of all women in the U.S. feel confident in their short-term financial decisions, but don't know where to start when it comes to the **long-term**.

45%

Roughly 45% of all women in the U.S. don't feel they have enough money to begin investing; **35% want to invest** but don't know where to start.

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# People often lack a financial community.

*Especially women.*

**40%**

Roughly 40% of people—regardless of gender—feel **alone** in their financial struggles.

**33%**

Roughly 1 in 3 women believe if they had a **stronger community** to go to for financial inspiration and guidance they would be in a better place financially.

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What we're seeing now.

Across genders,  
money remains taboo.



# 60% of women don't have another woman in their life they can speak to about finances.

Open conversations about money are critical, but often times still seen as off limits.

- People say talking about money helps them feel supported (48%) and informed about their financial decisions (43%)
- Yet 40% of people don't talk with friends because of long-standing taboos around money conversations.

For women, specifically:

- Roughly 40% of Gen Z women rarely—or never—talk about money with their friends.
- 60% of women don't have another woman in their life they can speak to about finances.

What we're seeing now.

But, a cultural change  
is upon us.



# Today, investing and personal finance are becoming central to pop culture.



## Social Media

FinTok and Reddit



## Books

A Beginner's Guide to the Stock Market is Amazon's #2 Best Seller in Finance/Investing



## Movies

The Big Short, Inside Job, Margin Call, Wall Street, Betting on Zero

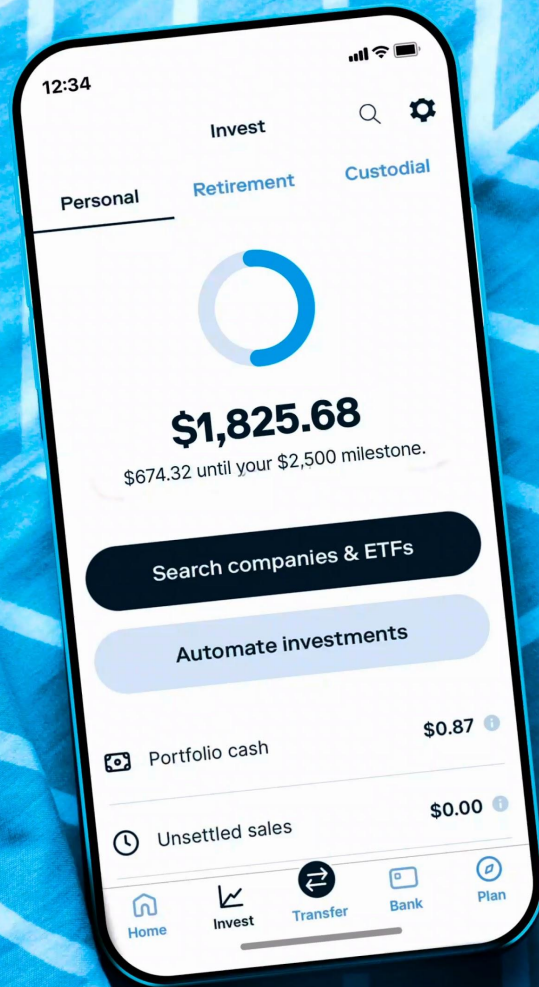


## Celebrity Culture

Influential celebs, like Michael B. Jordan, are gifting family stock vs. "stuff"

What we're seeing now.

There are more women on Stash than ever before.





# In 2020, nearly **50%** of new Stash customers were women.<sup>1</sup>

- A 2021 study of female Gen Z Stash customers revealed a **lack of financial education** growing up
- When they were given advice, the focus was on “saving” vs. “investing.” But...
- Now, they report that investing makes them feel **empowered and in control** of their financial futures

<sup>1</sup> Based on Looker data of 5,414,896 Stash customers, as of January 2021.

## Here's how female Stashers say investing makes them feel...

“

Powerful, intelligent, and hopeful.

“

Like I am taking control of my finances and building wealth for long term goals.

“

Like a boss!  
Empowered. Educated.

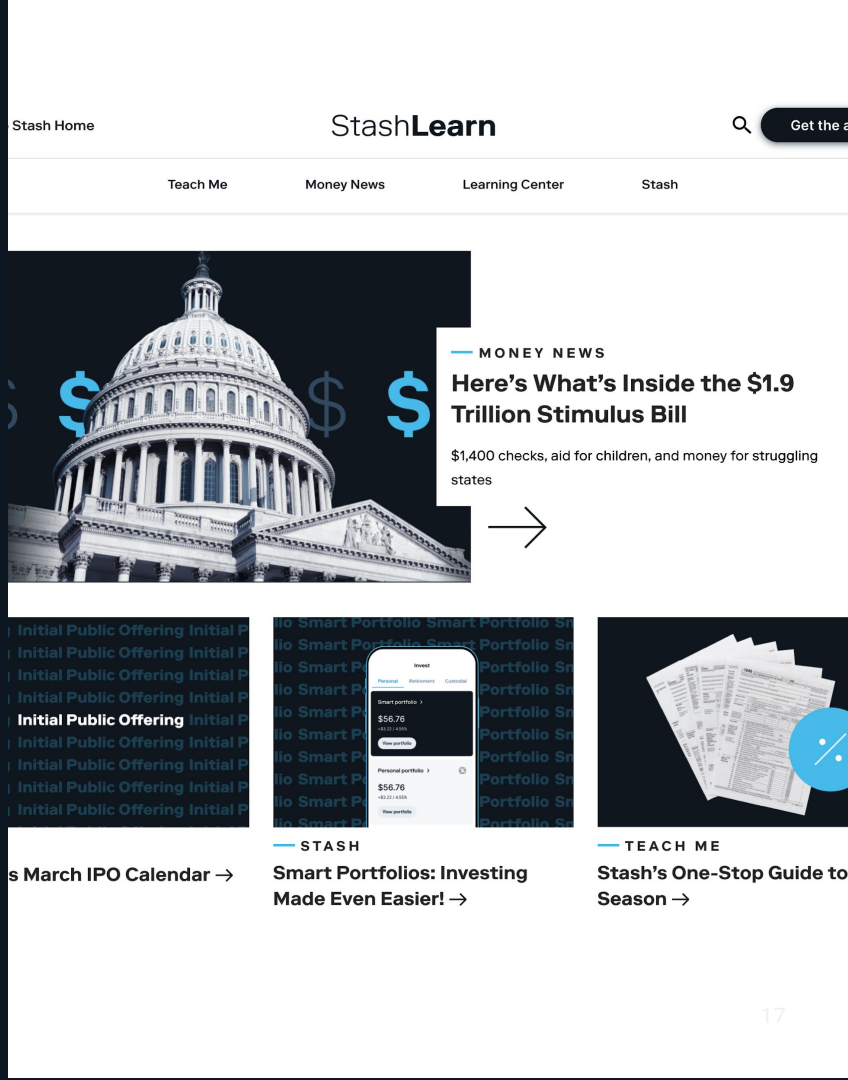
“

Happy that I can invest my money in something I believe in or like, instead of sitting in my savings.

We are at a  
pivotal moment.



Investing has hit the mainstream, but a solid financial foundation is as important as ever before.



We know when women invest, they feel more **empowered** and in control of their finances. But, with day trading making headlines, **education and guidance** are central to long-term success.

Let's break down some of the fundamentals, so that you can bring knowledge and sound investing principles to your students and children.

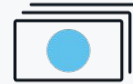
# Investing 101

- What is Investing?
- Stocks, Bonds and Mutual Funds/ETFs
- 3 Simple Rules Smart Investors Follow



## Stocks

A small piece of ownership in a publicly traded company.



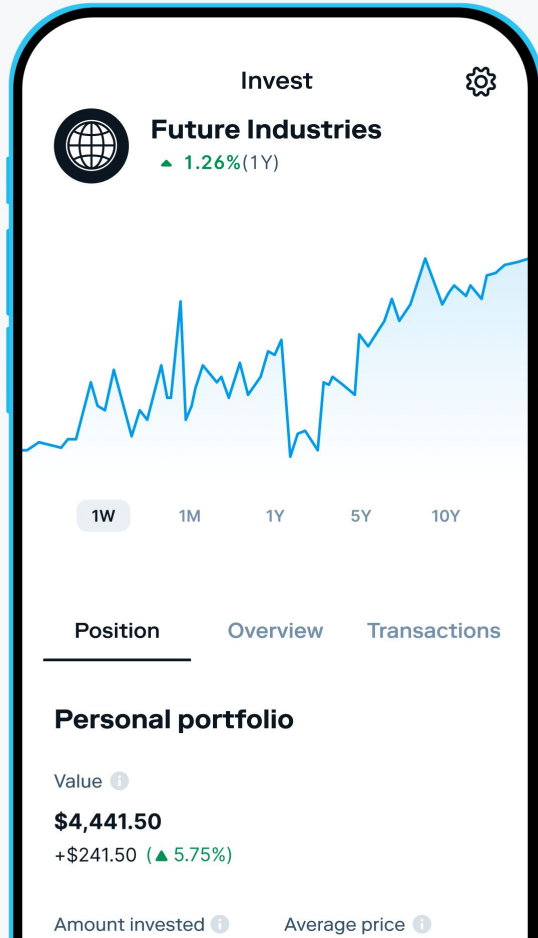
## ETFs

Invest in a bundle of related stocks, funds, or bonds.



## Bonds

A form of debt—an “IOU” from a company, government, or some other entity.



# Investing means...

- Using your money to buy different assets with the expectation of growing your money
- Making your money work for you



### Business Bonds: Short-Term

Invest in short-term bonds of creditworthy companies in the United States.



### Big Money

Money makes the world go round. These companies are the leading players in finance.



### BLOK

These companies are actively involved in the development and utilization of blockchain technologies.



### Blue Chips

Rely on the superstars already made it big. Buy shares of America's most well-known companies.



### Bond, Junk Bond

Get higher interest bond yields. This fund offers higher risk company bonds that also pay more.



### Bonds Nationwide: Variety Pack

This fund is a holistic investment in US investment-grade bonds and can be a great way to diversify.



### Bonds Worldwide

Bonds heard 'round the world



### Clean & Green

Make your money even greener. Invest in the power of clean energy sources like solar and wind.



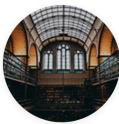
### Colossal China

Get a piece of the fastest growing large economy, led by a population of 1.3 billion.



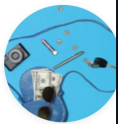
### Combat Carbon

From big names to small players, back the companies that actively curb their carbon footprints.



### Conservative Mix

Looking for an all-in-one conservative option to make it easy? This diverse collection is tailored to your goals.



### Consumer Comfort

Invest in the consumer discretionary sector. Buy shares of companies that sell goods needed on a day-to-day basis.

# There are many different asset classes that people can directly invest in:

Stocks (equity), bonds (fixed income), real estate, commodities, currencies, derivatives.

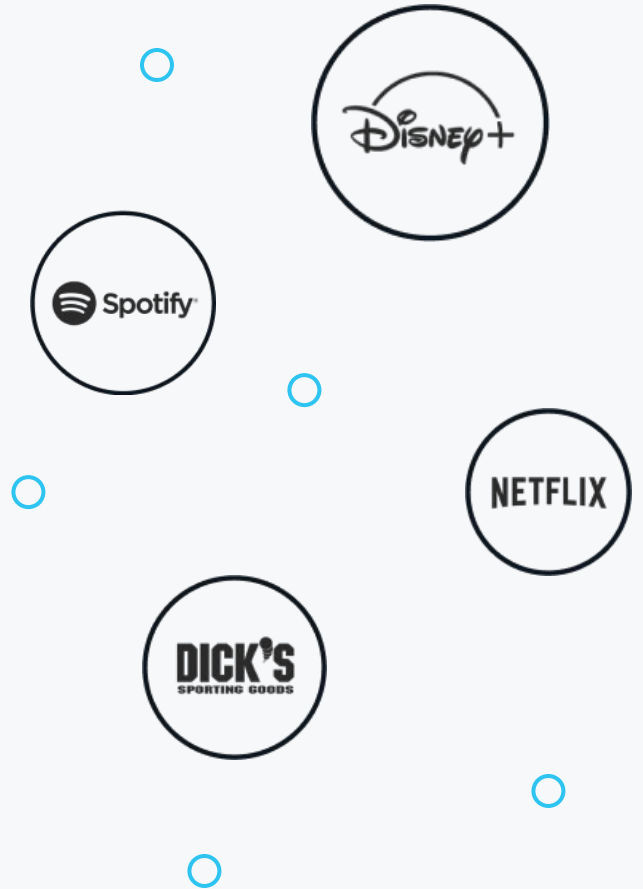
People can buy these investments indirectly through different investment vehicles:

→ Mutual funds or exchange traded funds (ETFs)

# What are stocks?

(equity)

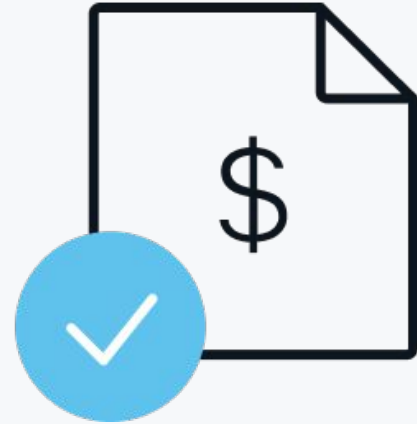
- When you buy stock, you are buying a **share** (or fraction of a share) in a company's equity
- You are actually an **owner** of the company and you have a claim on the assets and future earnings of that company



# What are bonds?

(fixed income)

- Bonds are actually **loans** made to a company, government, agency, etc.
- Lenders provide loans to the borrowers for a **set period of time**
  - The borrower agrees to repay the loan **with interest**
- Bonds are considered less risky than stocks.



# What are mutual funds?

- Mutual funds are investment vehicles that hold a basket of investments. They can hold stocks, bonds, other asset classes or a mixture of them.
  - Are usually active
  - Relatively **higher** fees
  - Traded at the end of the day
  - Easy way to **diversify**





# What are ETFs?

- Exchange traded funds (ETFs) are similar to mutual funds where they hold a **basket of investments** such as: stocks, bonds, other asset classes or a mixture of them
- Relatively lower expense ratios
- Traded throughout the day like a stock
- These funds can be very efficient ways to easily diversify

## ETF Categories

- Bonds
- Broad Market
- Commodities
- Diversified Mixes
- Global Exposure
- Goods and Services
- Missions and Causes
- Technology and Innovation
- Thematic

## Investing 101: The Basics.

Remember these  
investing principles.



# Rule 1: Think long term

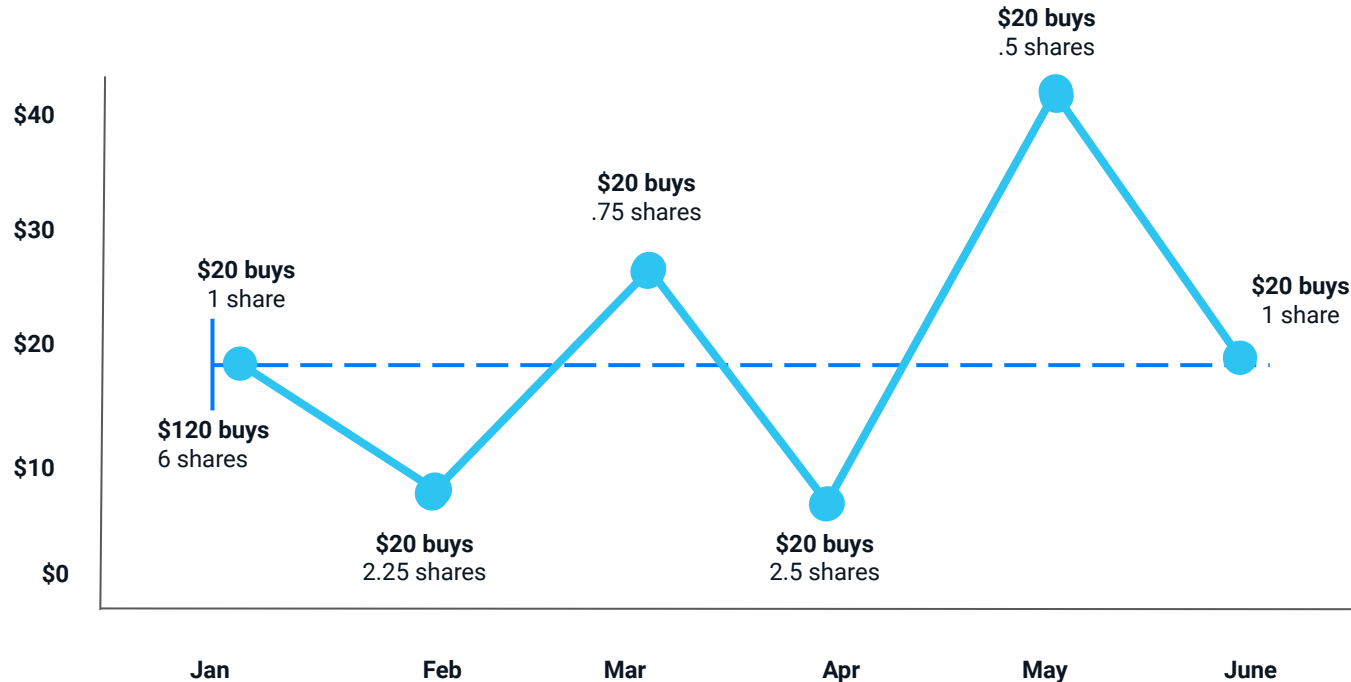
Historically, markets have continued to trend upward.



Source: FactSet. The S&P 500® is a market capitalization weighted index and one of the common benchmarks for the U.S. stock market. Investing involves risk including the loss of principal. This information is for educational purposes only and should not be construed as investment advice. Past Performance does not guarantee future results.

# Rule 2: Invest on a regular basis

“Time in the markets, not timing”



## Lump sum investment

Total shares: 6  
Avg. cost per share: \$20  
Total spend: \$120

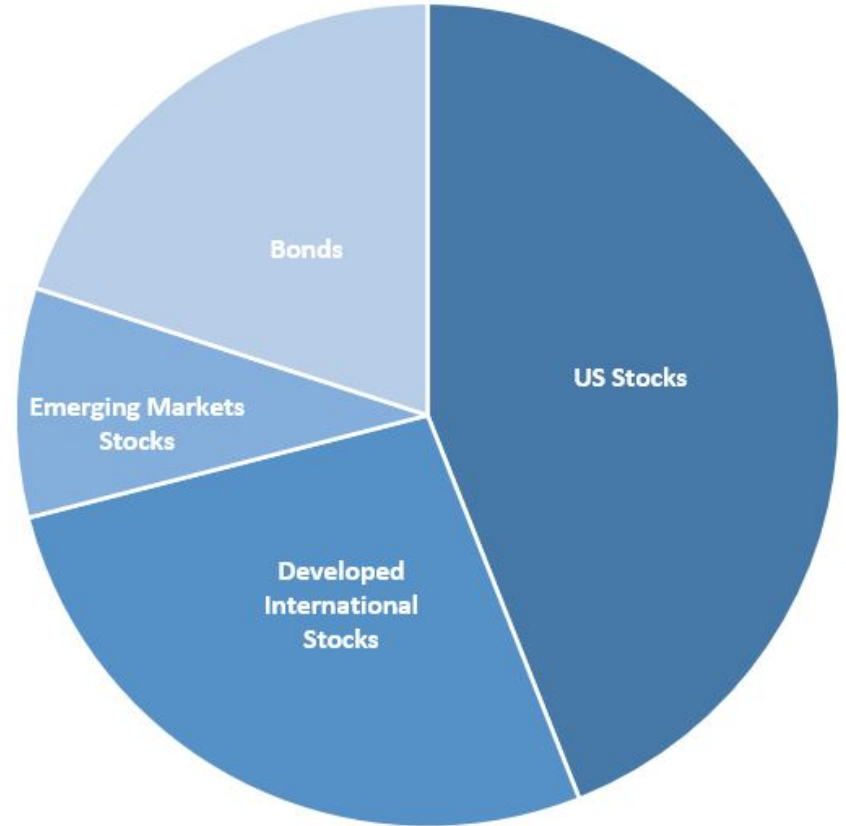
## Dollar cost averaging

Total shares: 8  
Avg. cost per share: \$15  
Total spend: \$120

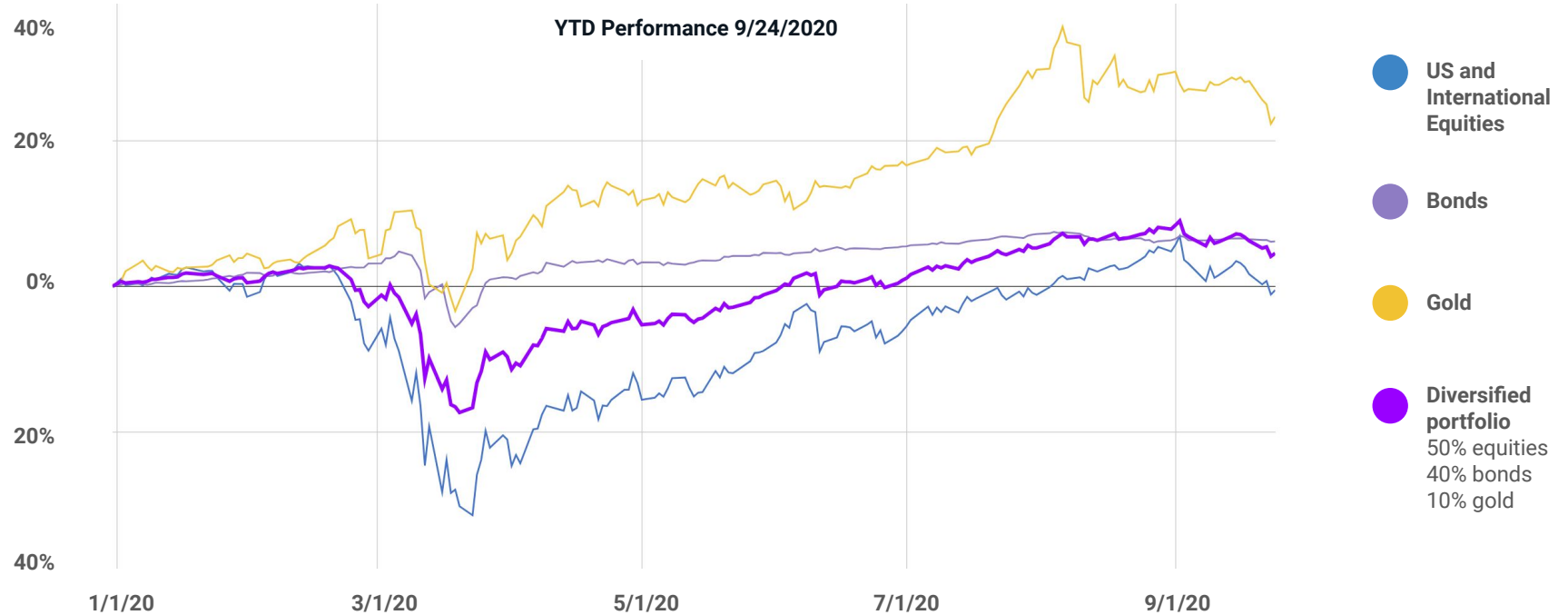
# Rule 3: Diversify

“Don’t put all of your eggs in one basket”

Dividing your investments into different asset classes, such as US stocks, international stocks, bonds, commodities, cash, etc. helps reduce risk



# Diversifying through volatility



Source: Stash, FactSet as of 12/31/2019-9/24/2020. Past performance is not indicative of future results. You cannot invest directly in the index.

# No Such Thing as a Perfect Portfolio

Everyone's financial blueprint is different—there's no one-size-fits-all approach.

- Typically, financial advisors recommend portfolios to clients based on various standardized profiles
- There are different ways to assess an investor and ascribe a profile, but two key components are always included:
  - The investor's **ability** to take on risk
  - The investor's **desire** to take on risk
- Once an investor is profiled, every “expert” has their own “perfect” portfolio to recommend

# Three simple rules for **smart** investing.



**Think Long-Term**



**Invest on a  
Regular Basis**



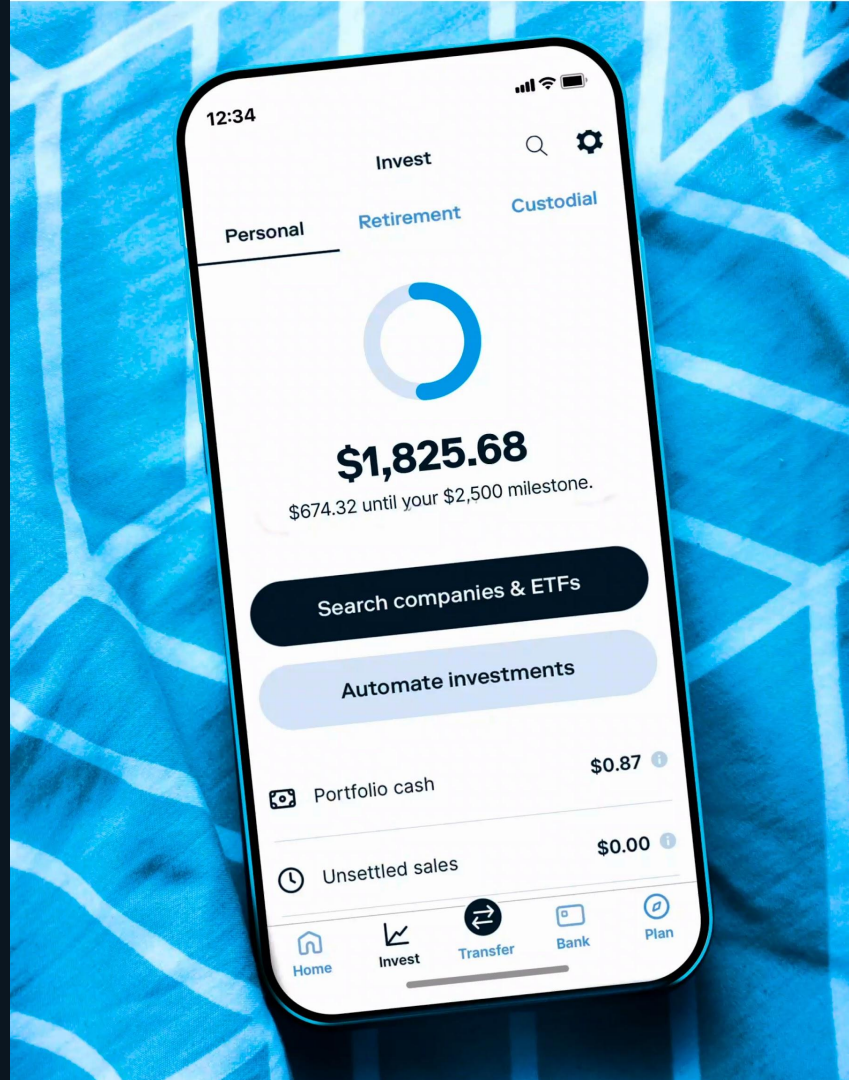
**Diversify**



# Questions?

Please reach out to [press@stash.com](mailto:press@stash.com).

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