



Portfolio Confidential

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I am a 60-year-old single woman with no kids and I've recently retired from a professional career. Over the years I earned a lot of money, and I love to spend money! But here is my problem: I feel guilty about my spending because so many women I know who are at a similar stage to me are involved in “doing good” in some way or another. I really enjoy indulging my love for jewellery, new makeup, spa services and especially, expensive shoes. I don't feel at all like giving back—I want to travel and have fun! I try not to talk about this, because I'm worried that people in my social circle already think I am selfish. Am I a hedonist with my money? Any advice is appreciated.

In the course of my research, I have learned a lot about how women are investing their wealth. Some spend their energy producing or investing money in Fem-tech products or startups, while others put their money into providing water-testing or more reliable electrical grids for the Third World. In other words, many are using their resources to literally save the world, while others are saving all their money to pass down to their kids one day. But I also come across successful women who are not afraid to admit they have already done enough giving back through various means, and they are now embracing the “life is short” philosophy when it comes to their remaining resources.

For context (and maybe it will make you feel better!), I'll share some excerpts from past interviews with women who are clearly enjoying themselves:

- A university professor in Toronto told me she spends money on the simple things that make her happy; stuff that makes her life better in some way. She has spent a lot of time abroad and appreciates the European approach to enjoying life—taking in opera, art museums, fine wine, and spending time with friends.
- A housewife in Zurich, Switzerland, told me of her passion for singing. After years of agonizing, she cashed in her pension and self-financed an album. For her, success isn't defined by record sales or the knowledge that there will be financial security in retirement. Music is the language of the soul and it allows her to express herself. She is now on her third album.
- A branding expert in Paris said that after years of contributing to various causes, she no longer feels a debt to society, and she has started entering a phase that feels a bit hedonistic. She is focused on doing more of what she enjoys and allowing herself to have deeper experiences. When she travels on business, she makes a point of adding a few extra days to explore the location in a fun and stimulating way.

The ongoing challenge, of course, is to keep a balance, and continue to earn (if needed), to invest and to save for the later years. The hedonist approach may not be in the majority but, within our means, I think we could all embrace a bit of it to round out the spiritual side of our portfolio.

My Our daughter is 27 and she is rapidly accumulating cash thanks to her hard work as a software salesperson. My wife and I have tried talking to her about investing but she isn't showing any interest in the topic. We want her to understand the importance of setting herself up for success in the long term. How can we get through to her?

In 2014 I released a research paper called “Getting Started: advice, ideas and stories from smart women on learning to invest.” https://barbarastewart.ca/2014_WhitePaper_Getting%20Started_07a.pdf

These women from a variety of professions and cultures around the world offered frank and practical tips. I suggest you share the paper with your daughter; some of the stories might resonate with her.

Here are 50 women's top five reasons for investing:

1. Focus and get control of your life

If you don't start thinking about money when you're young, it's easy to get trapped into living beyond your means. Everyone needs to understand their financial situation in order to decide how much to spend, how much to save, and how much to invest. Be deliberate about your priorities. As one Canadian writer explained: “I wish someone had told me to start saving when I was 25 years old when I first started drawing a full-time paycheck. I spent everything on clothes and restaurants—what a waste. The sooner you start saving and investing, the sooner you can buy something substantial.”

2. Become financially independent

It isn't wise to rely on others for your welfare. It makes sense to build your own nest egg while you can and take care of your own financial health. As a woman in Israel said: “I like to mentor younger women and I explain why it is so important for them to have their own job. Don't rely on other people. No one! You need to build yourself up while you can. It doesn't matter what you do for work, you should be able to control your life and take care of yourself.”

3. Attain your goals

Whether you dream about buying a new house, a new car or saving for the trip of a lifetime, this is your motivation

to invest. Lots of people aren't driven by a need to simply make money for the sake of making money. Investing feels a lot more rewarding when you have a personal goal in mind, and you can make things happen above and beyond what is available to you with a single paycheck. A New York-based art gallery owner told me: “Now I am an entrepreneur, and I am fortunate to have my savings to support what I am passionate about, which is my art business. I make sure to tell my daughters to start saving for the things that they want. We put a picture of their goal up on the fridge so they stay focused on what matters to them!”

4. Support personal causes

Do you believe strongly in certain companies or concerns? That could be another reason for you to invest. One of my core research findings has been that women prefer to invest in causes and concerns that matter to them. There is an Exchange-Traded Fund (ETF) for everything these days! According to a social entrepreneur I spoke with in Belgium, “investing gives me the ability to vote with my money, to enable what I believe in.”

5. Avoid missed opportunities

As a young executive in the UK suggested to me: “If you think about it, the act of “not investing” is already a risk to your capital. Not giving yourself the opportunity to grow your wealth is almost certainly as risky as being in the market and is more risky over longer time horizons.”

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