

Women must put aside fears of investing to plan for future

By CARA NISSMAN
Special to *The Palm Beach Post*

It happens more than you might think. A woman comes into an inheritance and thinks about putting the lump sum into her checking account. Her friends warn her away from such a step, but when she hears the word "stocks," visions of a poncho-clad Martha Stewart and homeless dot.com execs fill her head. The idea of sitting in an investment broker's office makes her break out into a cold sweat and start nibbling her nails.

"A lot of women are intimidated by talking about this," says Jim Smeenge, an Edward Jones investment representative in West Palm Beach. "But women have unique needs as far as planning for retirement and they shouldn't ignore those needs, especially the many Baby Boomer women now turning 60. Unfortunately, I still hear many women say, 'My husband handles the money.' I think it's a mistake for women not to be involved."

Here's why women must get over their fears:

■ On average, women in the United States collect \$6,000 a year in retirement income while men collect \$10,450. This is because women tend to work for smaller companies, often without pension plans or retirement plans, such as 401(k)s.

■ Women tend to spend more time out of the work force (raising children) and not contributing to Social Security.

■ Women live an average of seven years longer than men and are more likely to outlive their savings.

■ The average age for becoming a widow is 56.

■ One in two marriages end in divorce.

It's never too late to start investing. To reduce feelings of intimidation, Smeenge, who says he strives to talk to beginners as if he were talking to his grandmother, suggests taking baby steps toward controlling your financial future. Consider going to a workshop spe-

cifically for women or novice investors.

"I'm finding that women are much more interested in seminars these days," says Smeenge, who holds them regularly. "Attendance is growing."

There also are dozens of good books and Web sites available for novice investors, including *Making Bread: The Ultimate Financial Guide for Women Who Need Dough* (Running Press, \$17.95), *Smart Women Finish Rich: 9 Steps to Achieving Financial Security and Funding Your Dreams* (Broadway, \$14.95), www.finishrich.com and www.chickslayingnesteggs.com, which offer glossaries, articles and advice. When you peruse potential guides, look for ones in a writing style you enjoy. If you don't like a writer's sarcasm or think the jargon outweighs the hand-holding, you probably won't absorb much advice.

And when you think you're ready to meet with an investment broker, try to have an idea beforehand of how you'd like to use your money so you aren't sweating and squirming in your seat, and can listen, take notes and ask questions. Are you hoping to start saving for retirement because you haven't yet had an opportunity to do so? How much would you like to accumulate and by when? Are you looking to build up a down payment for a getaway house? By when would you like to buy the house?

And a word to the wise. If an investment specialist has known you for only five minutes and tells you he or she knows what you need — run. Like a seasoned doctor, a good broker will take the time to learn your needs before prescribing your treatment.

"Find somebody who you're comfortable with," says Smeenge. "Ask them about themselves and their goals. A lot of this can be confusing. Don't let yourself be pushed. Don't be afraid to ask questions and to get a second opinion."

You can reach Jim Smeenge at (561) 655-1068.

Despite the intimidation factor, more and more women are finding

IT'S NEVER TOO LATE

to start investing.

Say you've inherited a small windfall. What are your options?

1. Your retirement fund is plotted so you plan to use your new windfall to travel the world. You might want to look into bonds (essentially a corporate or government IOU). This allows you to draw from the interest earned without touching the principal or facing penalties, while still allowing for some growth as you soak up the sun.

2. Say you haven't been a good saver in your working years, so this windfall needs to grow quickly to help you retire at an appropriate age. Still, you don't want to risk much, considering this is all you'll have. Look into investing in conservative mutual funds (investment companies that pool money from shareholders and invest in a variety of securities, such as stocks and bonds).

3. Your health has always been dodgy and you think you might need to keep this new money easily accessible in case you have to go to the hospital. First, consider whether you need to update your life insurance policy. Is it still appropriate and cost-efficient? (As many as 46 percent of people age 65 and older will live in nursing homes for some amount of time in the next 20 years, according to AARP, so it's also worth asking your financial adviser about long-term care insurance.) You may also want to look into setting up a trust to protect your assets if you're worried that your health-care costs might deplete your savings.

— *Cara Nissman*

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for midlife women.**