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News Release

Women put financial security at risk by deferring long-term financial decisions to spouses, UBS research reveals

- **Women steer day-to-day finances but not long-term planning or investment**
- **Millennial women participate less in long-term planning than their older peers**
- **Lack of encouragement and the belief that their spouse is more savvy keeps women from investing and financial planning**
- **Stronger participation in financial planning can protect women from negative financial surprises after a divorce or death of their spouse**

Zurich, 06 March 2019 – The majority of women worldwide (58%) defer long-term financial decisions to their spouses, putting their future financial security at risk, according to a UBS survey of nearly 3,700 high-net-worth married women, widows, and divorcees in nine countries.

The latest *UBS Investor Watch*, a recurring global study of High Net Worth Individuals (HNWIs) and their behaviour, found that wealthy women overwhelmingly (85%) take care of day-to-day expenses while men handle long-term planning. This divided approach leaves many women ill-prepared to manage financial needs after critical moments in their lives, such as divorce or the death of their partner. *Investor Watch* found that women's deferral of important financial decisions to spouses extended to all generations, from Millennials to Baby Boomers.

Among the key findings:

- Women are acutely aware of their long-term financial needs: The top three financial needs identified by the majority of women globally include retirement planning (76%), long-term care (72%), and insurance (68%)
- Yet few take the lead in managing their own long-term finances: Only 23% of women globally take charge of long-term financial planning decisions
- Most women are highly involved with the short-term needs of their families, by sharing or taking charge of day-to-day expense management (85%)
- But more than half of women globally (58%) defer to their spouses to manage critical, long-term decisions. Reasons range from "my spouse never encouraged me" to "my spouse knows more" about the topic
- Millennial women are even more likely to let men lead: Surprisingly, 59% of women between the ages of 20 to 34 let their spouses take the lead, compared to 55% of women aged over 50
- This lack of participation stands in contrast to the nine out of ten women worldwide who claim increased confidence and less stress when partners participate equally in financial decisions

"When 58% of women around the world – including Millennials – defer to men on important financial decisions, we need to ask why," said Paula Polito, Global Client Strategy Officer and Group Managing Director, UBS Wealth Management. "This dynamic could go on for generations to come, unless both men and women make a commitment to engage in financial decisions together."

Millennials most likely to defer

Millennial women are more likely than older generations to defer to their spouses when it comes to financial decision making. 59% of women between the ages of 20 to 34 let their spouse take the lead, compared to 55% of women aged over 50. This reached a high of 73% in Singapore, closely followed by 69% of millennial women in the UK. Latin America was the only region to buck the trend, with just 41% of millennial women in Mexico and 40% in Brazil deferring to their spouses. In fact, women across all age groups in Latin America were the least likely to defer to their spouses.

Most younger women say they have more urgent responsibilities than investing and financial planning. They are also most likely to believe their spouses know more about long-term finances than they do.

Working as a couple works

There is a simple fix, according to the report, and it involves working together. Women who share equal responsibility for long-term investing with their spouses said there were clear benefits. More than nine out of 10 women (91%) said they felt less stressed and were more confident about their financial future (94%), believing they and their partners made fewer mistakes when they were both involved (93%).

Lessons from widows and divorcees

Advice from women who have experienced the death of a loved one or a divorce is clear. Three quarters (76%) of widows and divorcees wish they had been more involved in long-term financial decisions while they were married, rather than trying to navigate them while coping with such significant life changes. Higher levels of engagement may also protect women from unpleasant discoveries later in life, with 74% of women discovering negative financial surprises after a divorce or death of their spouse.

About the survey

As women's life expectancies increase and divorce rates remain high, more women may find themselves solely responsible for their own finances. UBS Global Wealth Management embarked on research to gauge women's level of and satisfaction with their financial involvement. From September 2017 to January 2019, UBS surveyed 3,652 women. Of these women, 2,251 were married with at least \$1m in investable assets. Others (1,401) were either divorced or widowed. These women had at least \$250k in investable assets. UBS also conducted in-depth interviews with 71 female respondents. The entire global sample was split across nine markets: Brazil, Germany, Hong Kong, Mexico, Singapore, Switzerland, Italy, the UK and the United States.

Links

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