Own your worth

Why women should take control of their wealth to achieve financial well-being
For our latest *UBS Investor Watch*, we conducted extensive research to study how women around the world engage with their finances. We surveyed nearly 3,700 married women, widows and divorcees in Brazil, Germany, Hong Kong, Italy, Mexico, Singapore, Switzerland, the UK and the US.

We wanted to know: How do women around the world approach their financial well-being? Are they fully engaged in the financial decisions that affect them? And if not, why not?
The answers are surprising.

Conventional wisdom often says that women don’t participate much in their financial well-being, letting their spouses take the lead instead. That wisdom is only partly true. In fact, more than 80% of women globally are highly involved in their short-term finances, such as daily expenses, budgeting and cash flow.

Surprisingly, however, almost 60% of women do not engage in the most important aspects of their financial well-being: investing, insurance, retirement and other long-term planning.

Why do so many women focus on the present but ignore the future?

The reasons differ, often dramatically, across markets. For example, women in the US and Singapore opt out of long-term financial decisions because they believe their spouses know more. Women in Italy and Brazil say they have more urgent responsibilities. Women in Switzerland and Germany say their spouses never encouraged their involvement.

Regardless of the rationale, failing to plan for the future carries risk. As women around the world live longer, the likelihood of becoming widowed or divorced increases. Inevitably, women who plan for these possibilities will be better prepared.

But women don’t need to do it alone.

In fact, women who approach long-term decisions in partnership with their spouses report soaring levels of satisfaction. Nearly all have high confidence in the future, feel less anxious about money and make fewer financial mistakes.

By sharing decisions jointly, both women and men can face the future with optimism—and set an example of financial partnership for generations to come.
Increasing lifespans bring women’s long-term financial needs to the forefront...

Women are expecting a long future, as lifespans continue to increase in the majority of the world, and experts predict that women in several countries will likely live into their nineties on average. In fact, 68% of women believe they will outlive their spouse.

With this in mind, women place particular importance on their long-term financial needs. For example, three-quarters (76%) say retirement planning is a top concern. Seven in 10 say long-term care and insurance planning are highly important as well.

**Women are aware of their increasing longevity**

<table>
<thead>
<tr>
<th>Percentage of women who cite each as highly important</th>
</tr>
</thead>
<tbody>
<tr>
<td>retirement planning</td>
</tr>
<tr>
<td>76%</td>
</tr>
</tbody>
</table>

Women’s top long-term financial needs

“I know that at some point in time I will have to manage my finances alone and I am definitely concerned about it.”

– Switzerland, Female, 50

“I’m really concerned with the rising costs of healthcare and whether I can afford my current lifestyle after retirement.”

– Singapore, Female, 43
...but many women focus disproportionately on short-term financial needs

Though women are aware of their increasing longevity and the financial needs associated with it, most tend to focus their efforts on short-term financial responsibilities. Eight in 10 women, for example, are highly involved in managing the household’s day-to-day expenses and paying the bills.

In contrast, only 23% of women take charge of long-term financial decisions, such as investing, financial planning and insurance—which can have far more impact on their future than balancing a checkbook. Only 19% of women share long-term financial decisions with their spouses. Instead, the majority of women (58%) defer to their husbands.

Most women are highly involved in short-term finances...

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manage day-to-day expenses</td>
<td>85%</td>
</tr>
<tr>
<td>Participate in large purchase decisions</td>
<td>83%</td>
</tr>
<tr>
<td>Pay bills</td>
<td>80%</td>
</tr>
</tbody>
</table>

...but many opt out of long-term finances

Role in long-term investment and financial planning decisions

<table>
<thead>
<tr>
<th>Role in Decision Making</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>My spouse takes the lead</td>
<td>58%</td>
</tr>
<tr>
<td>I take the lead</td>
<td>23%</td>
</tr>
<tr>
<td>We share decisions equally</td>
<td>19%</td>
</tr>
</tbody>
</table>

“I am responsible for paying all the bills, shopping and handling bank accounts while my spouse is responsible for major things like investing in the stock market.”

– UK, Female, 48

“Leading the household, paying the bills and all other day-to-day expenses fall under me, whereas investing is under him.”

– Singapore, Female, 48
Many women defer long-term financial decisions to spouses...

Though most women defer to their spouses on long-term financial decisions, there are significant differences across markets. For example, women in Singapore, Hong Kong and Switzerland are the most likely to defer. Women in the UK and Germany also defer, though to a lesser degree. Just over half of women in Italy (52%) and the US (54%) defer.

Notably, women in Mexico and Brazil are the least likely to defer to their spouses. More than half of these women either make long-term financial decisions jointly or take the lead themselves, the highest among all the markets surveyed.

How women defer financial decisions around the world

Figures may not add to 100% due to rounding.

“I was good with managing my money and not spending more than I had, but I wasn’t inclined to want to learn about investing. I just sort of repelled from it.”

– US, Female, 65

“My spouse takes the lead on investment decisions as he has more knowledge and experience.”

– Hong Kong, Female, 42
...because they believe men know more about investing and planning

Women who defer to their spouses have many reasons for doing so, such as more urgent responsibilities, a lack of interest in long-term finances and even discouragement from their spouses.

However, the main reason has to do with women’s assumptions about who knows more. A full 82% of women think their spouses know more about long-term finances, citing this belief as their top reason for deferring.

Reasons why women abdicate long-term investing decisions

Percentage of women who cite the following as reasons they defer to their spouse

- “I think my spouse knows more about this topic than I do.” 82%
- “We take a divide-and-conquer approach; I focus on other responsibilities.” 79%
- “My spouse is the primary breadwinner in the family.” 78%
- “I’m not interested in planning and investing.” 68%
- “My spouse had more assets than I did when we got married.” 67%
- “Truth be told, I feel like it’s my spouse’s money.” 64%
- “My spouse never encouraged or invited me to be more involved.” 58%
- “My spouse discouraged me from being more involved.” 56%

“From the day I married him, he was the one who always managed the finances, so I think it’s a matter of experience. He’s gained all the knowledge with regard to investments.”

– Mexico, Female, 52

“I want to be more involved in making the investment decisions so I can learn, but my partner thinks I’m not that capable.”

– Italy, Female, 44
Across markets, women reveal stark differences in why they defer to spouses

When comparing markets, it is clear that women have different reasons for deferring to their husbands. For example, Brazilian women are most likely to defer because they believe their husbands have more financial knowledge, compared to 57% of German women who feel the same. Women in Italy and Singapore are likely to say they have more pressing responsibilities, while Swiss women are most likely to say their spouse never encouraged them to be involved.

**Reasons women defer, by market**

<table>
<thead>
<tr>
<th>Percentage of women who defer to their spouses agree</th>
<th>Brazil</th>
<th>Italy</th>
<th>Germany</th>
<th>Hong Kong</th>
<th>Mexico</th>
<th>Singapore</th>
<th>Switzerland</th>
<th>UK</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>“I think my spouse knows more about this topic than I do.”</td>
<td>93%</td>
<td>78%</td>
<td>57%</td>
<td>79%</td>
<td>83%</td>
<td>90%</td>
<td>81%</td>
<td>85%</td>
<td>88%</td>
</tr>
<tr>
<td>“It’s a divide-and-conquer approach. I have other responsibilities to take care of.”</td>
<td>86%</td>
<td>87%</td>
<td>79%</td>
<td>79%</td>
<td>80%</td>
<td>70%</td>
<td>81%</td>
<td>75%</td>
<td>69%</td>
</tr>
<tr>
<td>“My spouse never encouraged or invited me to be involved.”</td>
<td>64%</td>
<td>74%</td>
<td>74%</td>
<td>49%</td>
<td>37%</td>
<td>66%</td>
<td>59%</td>
<td>22%</td>
<td>81%</td>
</tr>
</tbody>
</table>

The financial world feels like a mystery and I don’t feel like I have a good handle on it. I always wanted someone else to do it so I wouldn’t have to.

– US, Female, 65

My husband is the primary breadwinner in my family, so he takes care of the major financial responsibilities.

– Hong Kong, Female, 42
Women who participate with spouses equally enjoy the benefits of shared decisions

Women who participate in long-term financial decisions with their spouses not only increase their chances of financial security, but they feel more positive about the future.

For example, nine in 10 women who make joint decisions feel less anxious and more confident about their financial security. Nearly all feel more prepared to manage their finances if something happens to their spouse.

The benefits of shared decisions

Percentage of women who share in long-term financial decisions agree

- **95%**
  “If something happens to my spouse, I will already know all about our finances.”

- **94%**
  “I’m more confident about our financial future.”

- **93%**
  “We make fewer mistakes with both of us involved.”

- **91%**
  “I am less stressed about our finances.”

“Equally participating in the investment decisions helps us to maintain transparency. It also reduces the chance of making any wrong decisions related to such crucial matters of investment.”

– Mexico, Female, 50

“Sharing the responsibilities really distributes the financial pressure and we make equal contributions to our living standards.”

– Brazil, Female, 55
Many women learn the costs of deferring when marriages end

Few women realize the consequences of deferring until after a divorce or the death of a spouse. Some widows and divorcees were disappointed to discover hidden debt and inadequate savings that compromised their lifestyle.

With the wisdom of hindsight, 76% of widows and divorcees wish they had been more involved in long-term financial decisions while they were married. Nearly eight in 10 (77%) urge other women to take a more active role. Women in Mexico and the US feel most strongly about encouraging women to take action.

Widows and divorcees advise greater financial engagement

**74%** discover negative financial surprises  
**76%** wish they had been more involved in long-term financial decisions  
**77%** encourage other women to take a more active role in their finances

Call to action

Widows and divorcees who urge greater involvement, by market

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Overall  77%  99%  98%  88%  84%  81%  64%  62%  61%  57%
Mexico  US  Italy  Brazil  UK  Germany  Switzerland  Hong Kong  Singapore
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"My regret is that I didn’t learn as much as I should have during my marriage. I was too preoccupied with my work, the house and the children."

– UK, Female, divorcee

"Most of the time I took no interest in financial decisions, which is why we were not equipped for this awful situation."

– Germany, Female, widow
Younger women are perpetuating the status quo

In a counterintuitive twist, younger women are even more willing than older women to leave investing and financial planning decisions to their spouses. Nearly 60% of women under 50 defer to their spouses, compared to 55% of women over age 50.

Younger women are most likely to 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. Rates of deferral among young women are highest in Singapore and lowest in Brazil.

Younger women defer at higher rates

Women who defer to spouses, by age group

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Deferral Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-34</td>
<td>59%</td>
</tr>
<tr>
<td>35-50</td>
<td>59%</td>
</tr>
<tr>
<td>51+</td>
<td>55%</td>
</tr>
</tbody>
</table>

Rates of deferral among younger women

Women age 20-34 who defer, by market

<table>
<thead>
<tr>
<th>Country</th>
<th>Deferral Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>59%</td>
</tr>
<tr>
<td>Singapore</td>
<td>73%</td>
</tr>
<tr>
<td>UK</td>
<td>69%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>65%</td>
</tr>
<tr>
<td>Italy</td>
<td>65%</td>
</tr>
<tr>
<td>Germany</td>
<td>63%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>61%</td>
</tr>
<tr>
<td>US</td>
<td>56%</td>
</tr>
<tr>
<td>Mexico</td>
<td>41%</td>
</tr>
<tr>
<td>Brazil</td>
<td>40%</td>
</tr>
</tbody>
</table>

“With my husband taking the lead on investment decisions, it allows me to concentrate on my children more.”

– Germany, Female, 41

“I’m exhausted with running around with the toddler and have fears about my own lack of investing knowledge.”

– US, Female, 38
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 US.

Explore more insights at ubs.com/investorwatch