

Women's investor groups outshine men's

10-point gap tied to different gender strategies

By Sarah Parkin
Special for The Republic

Women's investment groups are outperforming their male counterparts, according to a 1999 National Association of Investors Corporation poll.

The poll, which surveyed all-male clubs and all-female clubs, showed the women outperformed the men by 10 percentage points.

A University of California-Davis study of investment results in 35,000 households also found that women are better investors than men. It's a puzzle for those who know stocks and bonds will

not perform differently based on the gender of their owner.

But 10 percentage points cannot be ignored.

Financial experts said one factor may be education. There has been an influx of investment seminars and books specifically designed for women. Almost every major financial institution has a program that targets women investors.

David Bach, author of *Smart Women Finish Rich*, has made a career out of coaching women on investment strategies. His philosophies were recently highlighted as part of the December 1999 PBS pledge

drive.

While the objectives of men and women are to generate enough investment profits to live comfortably and enjoy security, many financial advisers say women have unique investment needs.

Dawn Arkfeld, a financial services professional for Arizona Financial Group, and conductor of monthly women's seminars entitled "Taking Control: Financial Management Workshop for Women," supports this.

"They live an average of seven years longer than men. They usually tend to earn 75 percent of what men earn in the work world. They often

have to take time off work (an average of 11.5 years) to care for elderly parents or children, which ends up decreasing their retirement savings."

She further said that 80 percent to 90 percent of women end up managing their own finances at some point. Because women live longer and earn less, they must be prepared to stretch their financial resources for a longer period.

These differing investment challenges lead to different financial strategies that may explain part of the reason that women's investments are performing better.

Betty Teille, a senior investment representative at Banc One Securities, said

women are patient in the market.

"Women have more holding power. They tend to hold on longer. They don't jump the gun when the market goes down. Men tend to sell when things aren't going well."

No one is ever always on top."

The UC-Davis study backs up these findings by showing that men buy and sell stock at a rate that is 45 percent higher than women.

Sue Magrath, a pastoral counselor at the East Valley Interfaith Counseling Center, and frequent speaker on communication and gender issues, said she thinks the differences in investment strategy are ingrained.

"It's real easy to see the

differences," she states. "If you go back to the original and fundamental gender differences and the different ways in which the genders provide, historically, men are the hunters. They go for the big kill. They are looking to strike it rich. Women are more likely to be the gatherers and look for something that will produce over the long haul, and provide for children."

Whatever the reasons for the success of women's investments, women still are involved in investing at a much lower rate than men.

"I wish more women would take the initiative and invest more in their 40s and 50s," Teille said.