



GOOD WITH MONEY'S TOP INVESTMENT TIPS FOR WOMEN

Your money needs you, this International Women's Day

#IWD2020

#EachForEqual

#EqualWealth

These tips are brought to you by

GOOD WITH MONEY
MORE MONEY, FEWER PROBLEMS

EQ
investors

**ENERGISE
AFRICA**



Why #EqualWealth?

Women invest less than men.

This isn't because it is too hard or, like rugby or cricket, it's just something men do more.

Women who invest enjoy it and are good at it. They create more financial security and resilience.

With women still earning less than men, and living longer, it is REALLY important for women to get into investing, whether that's adding more to a workplace pension, investing in a Lifetime ISA, or a stocks and shares ISA.

Saving in cash is different to investing in the market - saving is less risky, but has less potential for meaningful returns, particularly at the moment, with interest rates being so low.

Over the long term, investing can have a life-changing effect on our savings and - when done in the right kind of funds and projects - can help protect our planet for our children and theirs after that.

This International Women's Day, Good With Money brings you our top tips for getting started with investing for #EqualWealth.

Break down your psychological barriers

Let's start with the first (and biggest) hurdle – yourself! Here are the top five unhelpful beliefs about why, as women, we can't or shouldn't invest:

- 1 I'm not good at maths.** Early in life, usually in school, we can fall into the trap of believing that as females we are better at 'stories and words' than numbers. This can have huge consequences for our relationship with money as we get older. The likelihood is that you ARE good at maths, you've just been conditioned to believe that you aren't. When it comes to investing though, you don't need to be a whizz with numbers to understand the basics.
- 2 I don't understand finance.** You don't need to have a degree in finance to be literate when it comes to managing money. If you're open to learning, you'll soon discover that it isn't as difficult as it's been made out to be.
- 3 I don't have enough money.** Investing is NOT just for rich people. Minimum investment amounts on some platforms are just £5 a month, though generally you can expect to put in around £50. If you have even a small amount to put away, you can and should do it.
- 4 My husband takes care of this sort of thing.** While women manage the household and make smaller financial decisions, the bigger decisions are usually left to men. Research from mutual insurer Royal London reveals that more men (40 per cent) than women (33 per cent) say they mostly take sole charge of the long-term financial planning.

However, your husband is probably no more qualified than you are to handle long-term money planning. You may simply have fallen into society's gender stereotypes without realising.

- 5 I have too much debt.** Having debt does not necessarily mean that investing isn't a good idea. If you have credit cards on zero per cent interest rates, you should be earning more returns on your investments than you are losing on your debt. If you are paying off more than the minimum amount each month, are on track to pay off your debt and have spare cash left over, it could be worth investing it. If you aren't sure whether you have too much debt to consider investing, it might be worth seeking guidance from the Money Advice Service on [taking control of debt](#) first.



A word on the R-word – Risk

One thing that can be off-putting if you've never invested before or you don't have much spare cash to set aside is risk. The idea of losing some or all of your money (which can happen) is something that many of us just can't, well, risk.

That's one reason that saving in cash accounts remains more popular. But not all investment risk is created equal – it can vary hugely depending on what you are investing in. Often, things that are “high return” come with more risk (the higher return is the reward for being prepared to put your cash at risk). But all investment will carry some. Investment managers spend most of their time trying to work out how to get the most reward for the least risk.

Some platforms go to extra lengths. Energise Africa offers a new investor £100 guarantee on their capital, to encourage people to get started. The Positive Impact Portfolio from EQ Investors offers a range of risk profiles so you can choose the one you are most comfortable with.


How to change your money mindset

You only need to change your mindset this once to make an enormous difference to your future. Here's how:

- 1 Just do it.** There is no better time to start investing than right now. Investing is NOT as complicated as people in the industry often make it out to be. It only takes a few minutes to set up an investment account and a direct debit to go into it each month. Once you've taken that first step, you'll most likely never look back.
- 2 Talk to other people about investing.** Be curious about what other people are doing with their money. Speak to your peers – both men and women - and you might be surprised by what you can learn from them.
- 3 Be cautious.** Stay wary of anything that seems too good to be true, or too complex. There are lots of 'get rich quick' schemes and scams that ARE targeted at women. Always check out the credibility of providers before giving them your hard-earned money. You can check whether a firm is authorised and registered with the Financial Conduct Authority, the UK regulator, [here](#).

How to do it - from start to finish

- Step 1 Choose a platform (or a financial adviser).** To ensure that your savings work for the planet as well as your pocket, go for a platform that has a sustainable investment option. With a growing body of evidence showing that returns from investing sustainably are as good if not BETTER than their less ethical counterparts, there's really no reason not to. A good place to start is [our top 10 sustainable investment platforms](#). Financial advisers can be expensive if you don't have at least £50,000 to invest.
- Step 2 Choose an amount you can afford each month.** Don't worry too much about how much you spend at first, the main thing is to just get comfortable with the concept of investing. Most importantly, the money you invest should not leave you struggling to meet basic expenses.
- Step 3 Consider moving any existing savings pots.** Check out the interest you are earning on any existing savings you have. The chances are you could be making far more by investing it. However, it's a good idea to keep some money in a cash savings account too so you can access it instantly in a financial emergency.
- Step 4 Choose a fund, project or portfolio to invest in.** Most investment platforms now offer positive impact portfolios or fund options if you want to invest in a sustainable way. Our [latest Good Investment Review](#) provides ratings for UK ethical and sustainable funds showing how well they back up their claims – as well as a breakdown of their financial performance.



[EQ Investors](#) offers a 'Positive Impact Portfolio' where your money is invested in a mix of 15-20 funds.

[Energise Africa](#) puts your money to work fighting climate change with ethical investments in solar energy projects in Africa, and Abundance has funds in three sectors (green energy, transition to a sustainable economy and housing) with companies that are developing solutions for a lower carbon world. If you are mostly interested in fighting climate change in the UK, you could look at [Ethex](#). Another option is Downing Crowd which invests in positive impact businesses from renewable energy and care homes to health clubs and children's nurseries.

Step 5 Check the minimum investment term. When you invest, look to lock your money away for around 10 years. Make sure that you will not need the savings you are investing in this timeframe.

... And you've done it! You've taken your first step on the journey to #EqualWealth

About Good With Money

[Good With Money](#) is a money website with a difference: it is all about how your money can do more good for people and planet, as well as line your pocket. Sign up to the weekly newsletter for the latest reviews and deals [here](#).

About EQ Investors

[EQ Investors](#) is an award-winning boutique wealth manager providing financial advice, investment management and employee benefit services to individuals, small businesses and charitable endowments. A certified B Corporation, it puts making a positive contribution at the heart of its business philosophy. For more info see eqinvestors.co.uk

About Energise Africa

[Energise Africa](#) is brought to you by [Ethex](#) and Lendahand, two of Europe's leading online impact investing platforms. Energise Africa enables UK-based individuals to start investing in bonds issued by pioneering solar businesses that install life-changing solar systems in homes in Sub-Saharan Africa. For more info see www.energiseafrica.com