

Your Story. Your Future.

women
and wealth



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My Story



Women's Growing Economic Power

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Women's Growing Economic Power



56%

of **university graduates** are women, 51% with a Master's degree, and 38% with a Doctorate¹



Women's participation rate in the workforce has significantly increased over time from **15%** in the 1950s to **91%** in 2015²

31%

of women are the **primary earners in their households**³, a number which is expected to grow

¹The Conference Board of Canada, April 2018; "Gender Inequities Persist in Canadian Post-Secondary Education and the Workforce

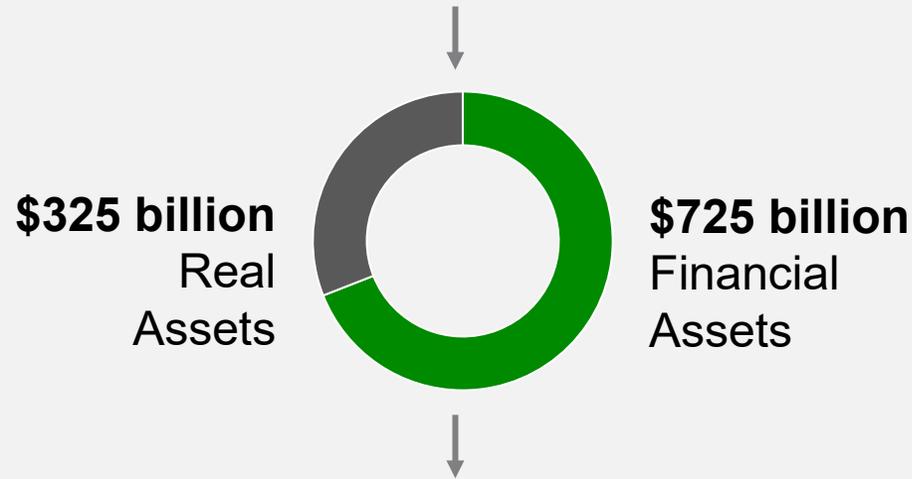
²Statistics Canada, Labour Force Survey, March 8, 2017.

³Investor Economics Balance Sheet Report, 2017, page 116.

Women and Money in Motion



Total wealth transfers
\$1,050 billion



Money in motion
\$710 billion

Presently, women in Canada influence **\$1.3 trillion** of personal wealth, with a projected growth to at least **\$3 trillion by 2026**¹

By 2026, Women are expected to inherit approximately 70% of inter-generational wealth transfer. **About \$710 billion in total!**²

¹ TDAM and Investor Economics: Time, Treasure, Talent: Canadian Women and Philanthropy (Addendum), May 2016

² IPC: Women and Wealth – The changing face of wealth in Canada and its implications for financial advisors, 2017.

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Unique Challenges that Women May Face on the Path to Financial Security

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Unique Challenges that Women May Face on the Path to Financial Security



60% of women age 45-54 **do not have a wealth plan**¹

43% of single women **work with an advisor**²

90% of women will be required to play the role of **sole decision maker** at some point in their lifetime³

¹Financial Planning Standards Council. LegerWeb online survey, Feb 21, 2018.

²TD Wealth Behavioural Finance Industry Report, 2019.

³IPC Private Wealth, Women and Wealth – Financial Confidence Comes with Finding the Right Advice, 2018.

Unique Challenges that Women May Face on the Path to Financial Security



87%

of women **struggled to find an advisor** with whom they could connect¹

73%

of women report being **unhappy** with the financial services industry²

2X

a man is **twice as likely to be approached** by an advisor than a woman³

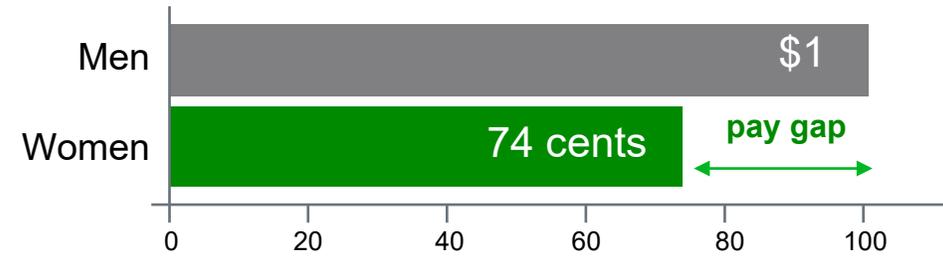
¹Investor Economics Household Balance Sheet Report, 2017.

^{2,3}Strategy Marketing: Why women leave their financial advisors: and how to prevent it, 2015, Paulette Filion and Judy Paradi.

① Earnings Gap and Longer Life Expectancy

26%

The estimated **gap in salary** between a male and female full-time worker in Canada¹



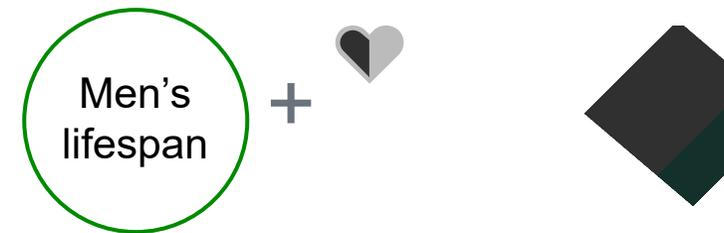
76%

The chance that a **part-time employee** is a woman²



10-15 years

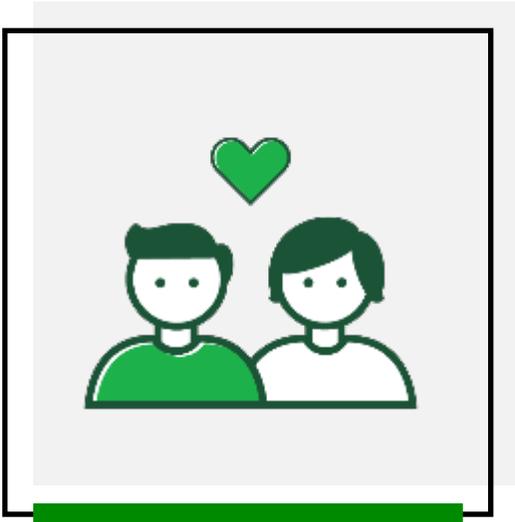
The number of years a woman can **expect to outlive her spouse**³



^{1,2}Statistics Canada: Women and paid work, March 8, 2017. Melissa Moyser.

³IPC: Women and Wealth – The Changing Face of Wealth in Canada and its Implications for Advisors, 2017.

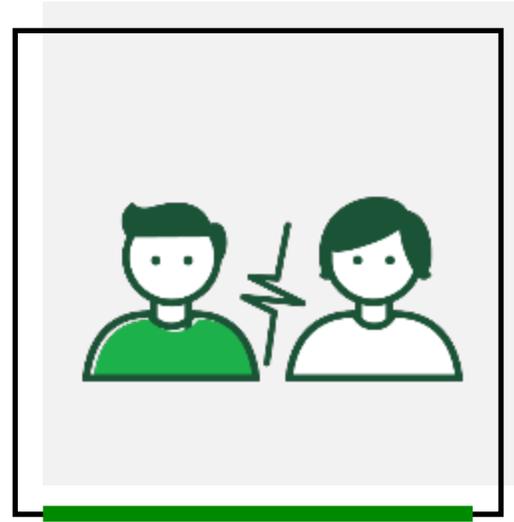
② Potential Life Events



Marriage



Motherhood



Divorce



**Death of
a partner**

3 Caregiving Responsibilities

Intermittent work histories:

12
Years is the average number of years a woman spends out of the workforce caring for her family¹

Time constraints:



¹Family Caregive Alliance, Women and Caregiving: Facts and Figures, updated 2015.
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Why Women Need to Have a Wealth Plan

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A Wealth Plan is Your Retirement Reality



What is in a Wealth Plan?

- **Documents** your goals for the future
- Details how you **intend** to reach those goals
- Defines a process for **monitoring and following up** on the progress of your plan
- Can be **simple** or **complex**

A Wealth Plan can:



**Define how you
will save and
invest in order
to meet your
life goals**

**Allow you to
turn life goals
into reality**

**Help protect your
family and
loved ones**

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Retirement Realities

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Your Retirement Time Horizon May Be Longer Than You Think



45% of Canadians are nearing or are in the **retirement stages** of their lives¹

Life spans are on the rise:
A Canadian retiree may need
their assets to last for

30
years or longer²

41% the joint probability of a Canadian couple **living past 90**³

¹Statistics Canada, Canada at a Glance, 2017.

²Statistics Canada, CANSIM Table 109-5202, 2011.

³TD Asset Management Inc. calculation, Statistics Canada, CANSIM Table 109-5202, 2011. As at December 31, 2011

Your Retirement Time Horizon May Be Longer Than You Think



43%

The approximate percentage of marriages that are expected to end in **divorce**¹

**56
years**

The average age of **widowhood** for women²

6.4%

The percentage of senior women in Canada **living in poverty** compared to **3.8%** of senior men³

¹ Globe and Mail Statistics Canada to stop tracking marriage and divorce rates, Tavia Grant. Updated March 26, 2017.

² Statistics Canada: 2011 Census of Population. Statistics Canada Catalogue no 98-312-xcb2011041.

³ Statistics Canada, CANISM table 202-0802 and Catalogue no. 75-202-X. Last modified: 2013 – 06-27.



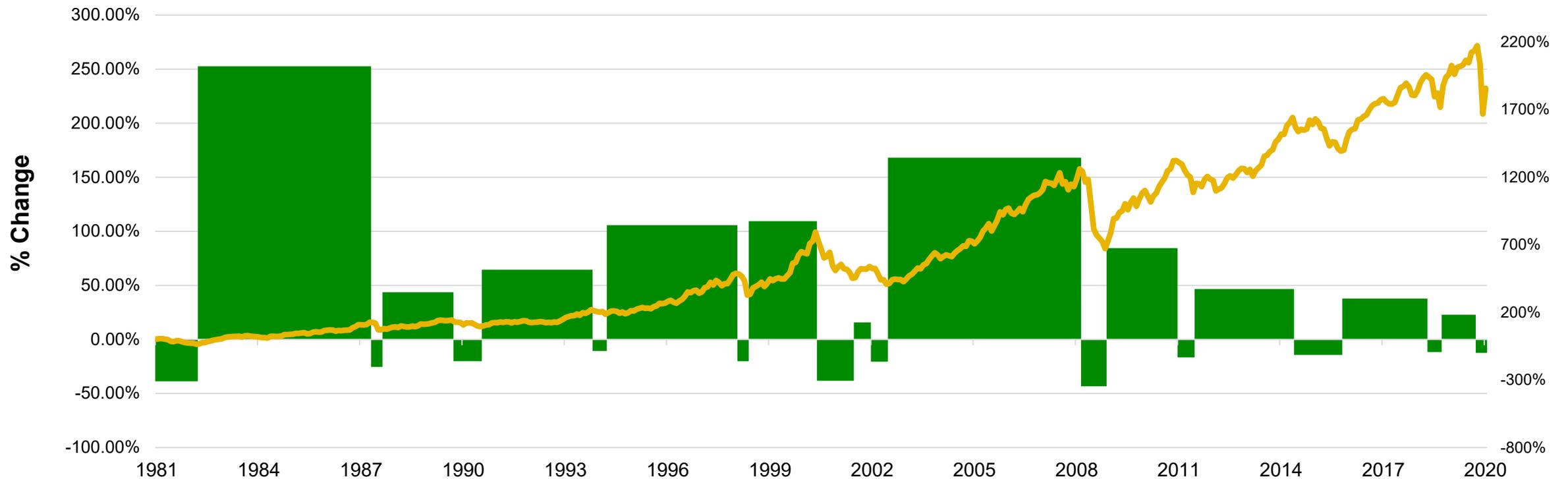
Market Realities

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Staying calm in volatile markets

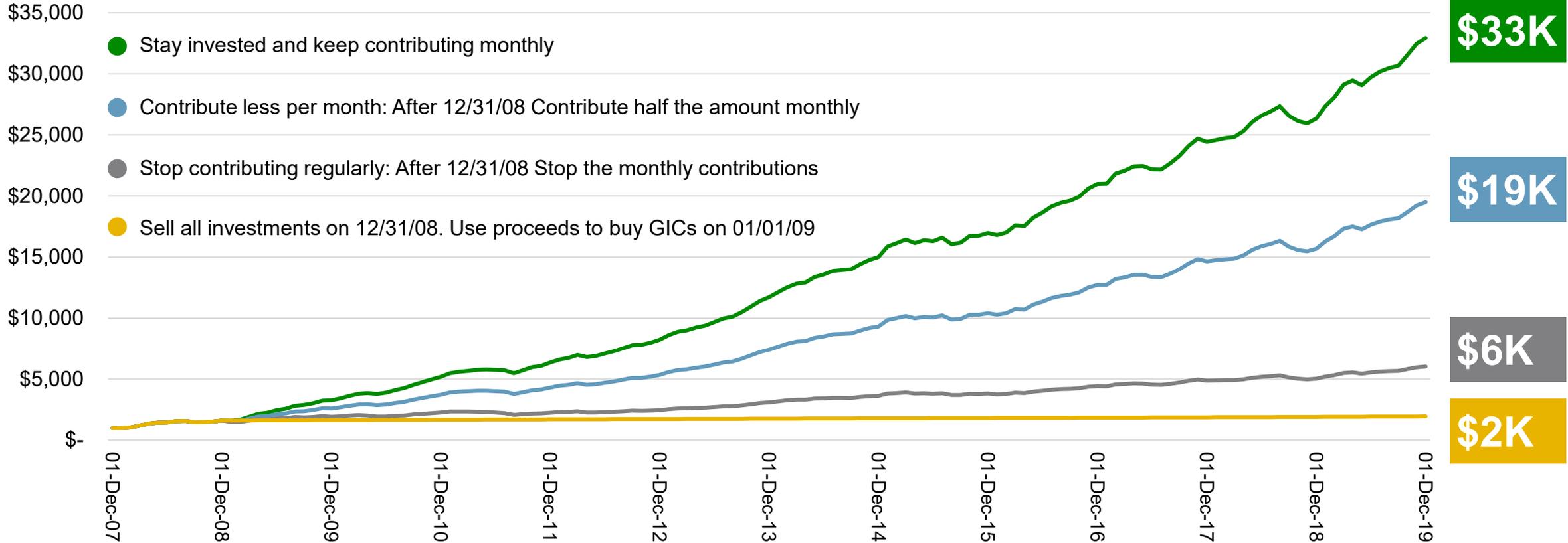


Historically, investors who remain invested during bear markets, benefited from the recovery period and the next bull market ¹



As of April 30, 2020 ¹ Generally the terms bull market and bear market describe upward and downward market trends, respectively. In the illustration above, we classify a price movement of 20% or more (up or down), over any given period, as a bull or bear market respectively. We classify a price decline of 10% or more, over any given period, as a market correction. Source: TD Asset Management Inc. and Bloomberg Finance L.P. Market returns are based on S&P/TSX Composite Total Return Index

Getting invested, staying invested

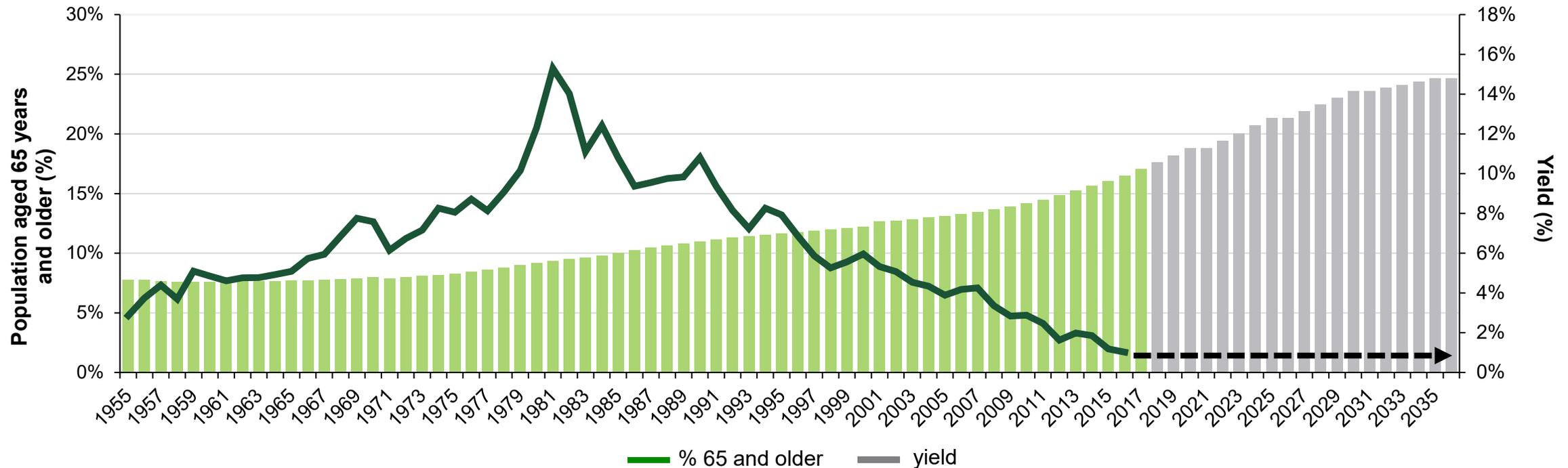


'Stay Invested' shows what would happen if you invested \$1,000 on January 1, 2008, and contributed \$100 per month thereafter until December 31, 2019. For the three situations where changes are made to the portfolio, we are assuming they begin after December 31, 2008. The market value at this point in time was \$1,619. The returns in the above chart are showing the historical returns of a portfolio comprised of 50% S&P/TSX Composite Total Return Index and 50% S&P 500 Total Return Index or Guaranteed Investment Certificates ("GICs") under various situations (as indicated above). GIC rates used are 5 year average GIC. Assuming Investment into GICs as of January 1, 2009. All indicated returns are in Canadian dollars as at December 31, 2019. Index returns are shown for comparative purposes only. Indexes are unmanaged and their returns include reinvestment of dividends, if applicable, but do not include any sales charges or fees as such costs would lower performance. It is not possible to invest directly in an index. Sources: TD Asset Management Inc., Morningstar® Direct and Bloomberg Finance L.P.

What worked in the past may not work in the future



The role of fixed income is evolving. Bond yields are at historic lows and interest rates are projected to be lower for longer. Fixed income return projections may no longer drive the growth needed to meet retirement goals. Meanwhile, the number of Canadians aged 65+ is increasing – and then spending decades in retirement.



Demographics source: Statistics Canada, 2005, Population Projections for Canada, Provinces and Territories, 2005-2031, Statistics Canada Catalogue number 91-520-XIE.
Yields source: Statistics Canada, as at December 31, 2016. Government of Canada marketable bonds, average yield: 5-10 year.

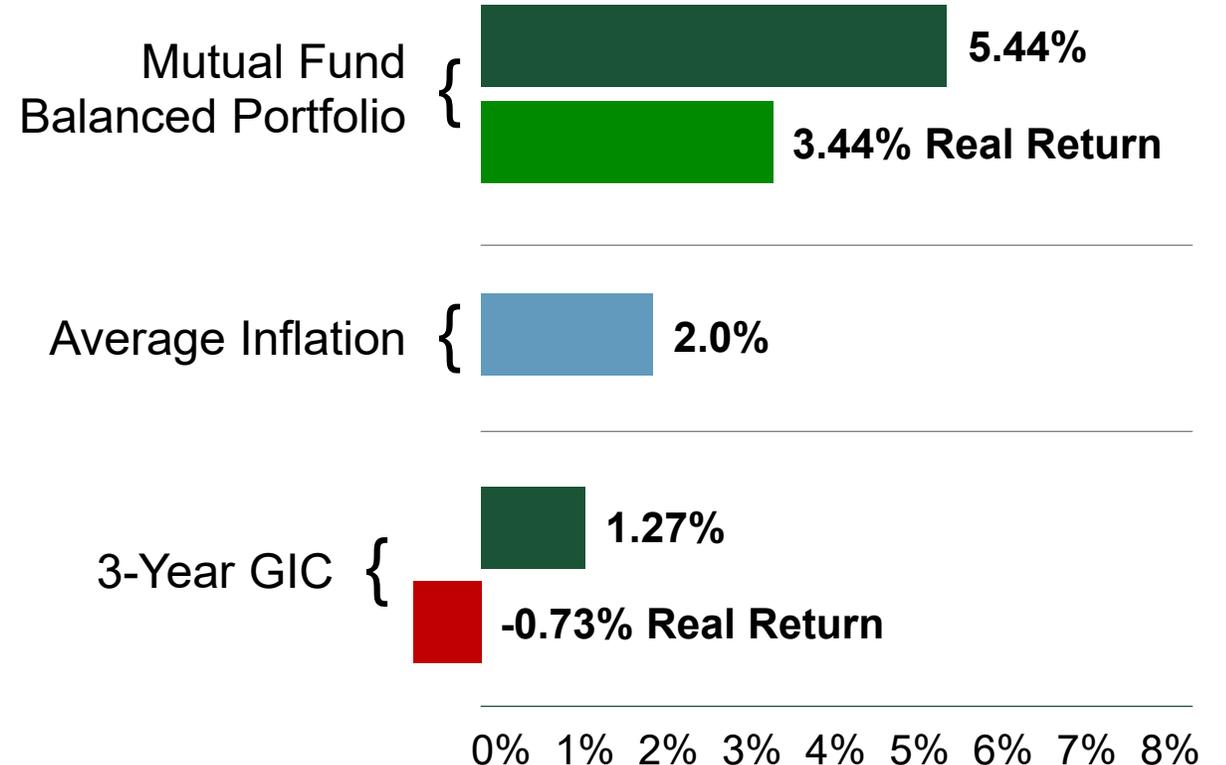
What is Your Real Return?



Example:

Real return of a balanced portfolio versus a 3-Year GIC*

After adjusting for inflation (in this case a rate of 2.0%, investing in a balanced portfolio would have earned a **3.44%** return compared to a 3-Year GIC with a **-0.73%** return, over a 10-year period.

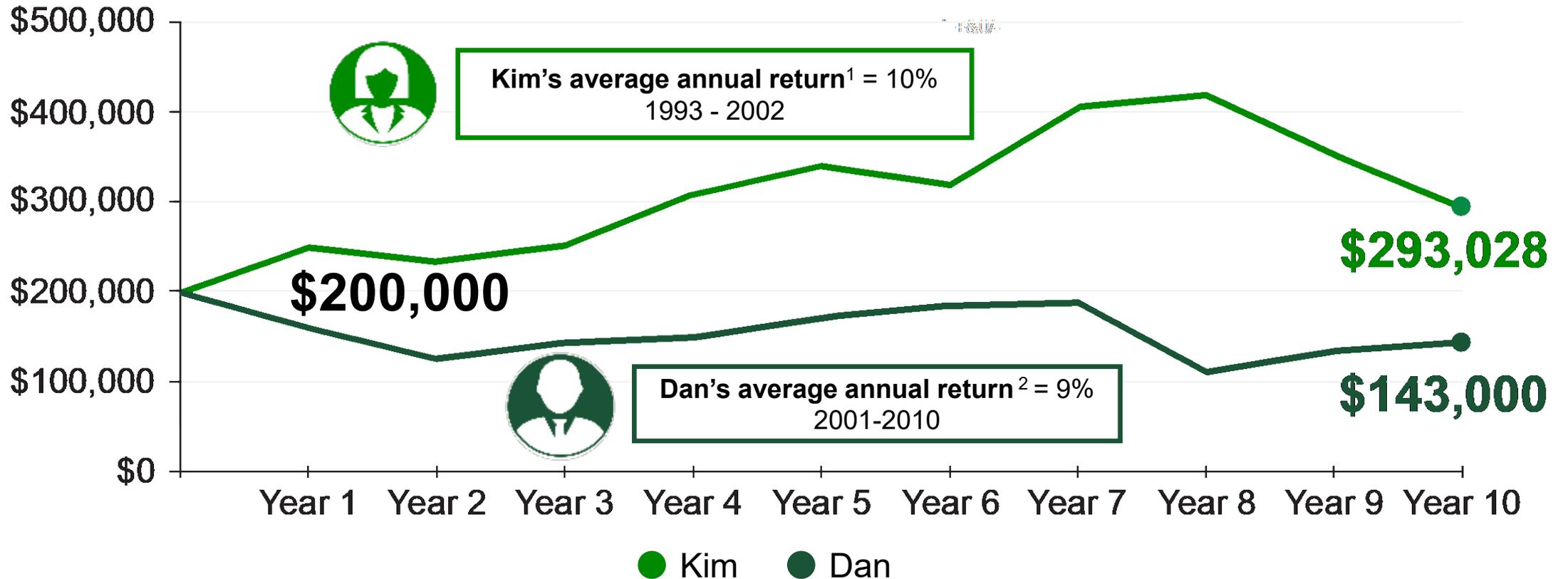


*Source: Morningstar® Direct. Annualized returns to April 30, 2020. For the balanced portfolio, real return based on annualized return over a 10-year period of the Global Neutral Balanced CIFSC Category. Real return for GIC based on annualized return over a 10-year period of the average 3-Year GIC. For illustration purposes only.

How Sequence of Returns Can Impact Your Retirement



Market impact on retirement



Assumption: Kim and Dan have an annual withdrawal of \$15,000 per year. ¹ Kim's returns reflect the S&P/TSX annual return between 1993 and 2002

² Dan's returns reflect the S&P/TSX annual return between 2001 and 2010. For illustrative purposes only.

Retirement Readiness

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Retirement Readiness



Canadians save an average of **11.9%** of their income for retirement, compared to **13.9%** in the U.S and **12.2%** Globally¹

Only 31% of women classify themselves as **financially knowledgeable**²

Compared to women who said they were financially knowledgeable, **80%** more men said they felt the same³

¹Advisor.ca: Canadians Underestimate Retirement Costs: Study, July 2018.

²Statistics Canada: Gender differences in the financial knowledge of Canadians, March 2016. Marie Drolet.

³TDW: Rotman Behavioural Finance Survey Questionnaire, 2018.

The Value of Advice



Advised investors may have **4 times** more assets than investors without advice after **15 years**¹

56%

of **Advised households** indicate that they feel confident they will have enough money to **retire comfortably**²

89%

of respondents who had created a wealth plan with the help of an advisor **felt satisfied** with their financial position for retirement³

¹FIC: Advisor Insights – Modest Investors: Easy Access and the Freedom to Choose are Keys to Successful Long-term Investing, Jan 2018.

²FIC: New Evidence on the Value of Financial Advice, 2012. Dr. Jon Cockerline, Ph.D.

³TDW: Rotman Behavioural Finance Survey Questionnaire, 2018.

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Next Steps

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Want to learn more?



If you would like more information on how to get started, please email:

TD.WomenAndWealth@td.com

You can also open your phone camera and point at the QR code to the right to send us an email!



You can also visit the TD Women and Wealth Website at:
<https://www.td.com/ca/en/investing/wealth/women-and-wealth/>



Thank you!

Questions?

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