

Learned \$trategies

by vcmorris - Thursday, July 09, 2009

<http://thethinpinkline.com/2009/07/09/learned-trategies/>

Does the date October 27th, 1997 have any financial significance to you?

It was the day the Hong Kong stock market collapsed. The Hang Seng Index plummeted, causing massive selloffs in financial markets around the world and initiating a 554-point plunge on the Dow Jones Industrial Average. It was the day automatic trading curbs or collars as they're also called -- went into effect. The protocols of those curbs have now changed, but back then, they would halt trading for half an hour if the market fell 350 points; for an hour if down 550 points.

Those curbs or collars -- had never been used before that day. The Dow shot past the first collar. Trading halted for 30 minutes. When trading resumed, so did the freefall - like a hot knife through butter, the Dow lost another 200 hundred points. Down 550, with less than half an hour left to the closing bell, trading was halted for the day. The financial repercussions were felt around the world.

Working that story as a financial journalist absolutely solidified my commitment to work from that day forward in ways to positively impact the financial futures of women because that day - investors, particularly women - needed to have *had* a plan in place to take advantage of "the sale" - the bargain-hunting or bottom fishing opportunities that such an incident (market meltdown) creates.

There's nothing like a financial crisis to get everybody's attention and change attitudes. The current recession is the money madness everyone's dealing with right now but the lessons hopefully learned from 1997 are being remembered: reassess, reorganize and realign your financial plan to ensure your own financial future.

Money has long been a gender-specific arena. But, today's women of all economic circumstances must learn the art of negotiating the best possible use of what money we have, and, the confidence to make a significant portion of that money grow for us into the future.

When it comes to money, women have unique needs in three areas: investment planning, retirement and business ownership. We have lower salaries, longer life spans and fewer pensions. Those facts add up to the need for a financial plan and action. And, since we have a longer life expectancy, we need to seek a more balanced portfolio. Money is power and we've simply got to become equal to the task.

Twenty years ago, when my first marriage ended in divorce, I assumed all family debt in order to keep order in the timely and fragile area known as personal credit. The job of reconstructing life - emotionally and financially - was enormous. Post divorce the dollar reserves were small. I'd made a lot of money and lived as many Baby Boomers did - with the confidence that there was more coming from where it had always come - my earning ability, which had been the primary support for the family. My financial knowledge background was modest back then but my financial future needs were totally dependent on me figuring out how to do what needed to be done in a short amount of time.

Learned \$trategies - 07-09-2009

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Women face different life circumstances than men: lower salaries, longer life span, fewer pensions, interrupted careers for care giving of children or elderly parents. We need to realign ourselves in order to embrace change on our own behalf. We cannot afford to wait for change to come. We must become agents for change.

We women always have a plan - even in the midst of multi-tasking careers and managing home and family. We have "what-to-do-if" scenarios for just about everything. Not enough of us, however, have a clearly stated financial plan that allows us to take advantage of financial opportunities such as the massive selloff of October 27th, 1997. And, despite that missed opportunity - widely lamented by investors who weren't positioned or able to respond to their advantage - how many of us in the nearly *12 years* since then - have restructured our fiscal strategies to be beneficiaries rather than victims of market fluctuations and volatility?

Here's to your health and wealth.

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