

# THE WALL STREET JOURNAL.

This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers visit <http://www.djreprints.com>.

<https://blogs.wsj.com/experts/2018/04/22/why-women-fear-they-will-run-out-of-money/>

THE EXPERTS | RETIREMENT

## Why Women Fear They Will Run Out of Money



Over half the women in an Age Wave survey said they'd like to live to 100 but fear they will run out of money if they do live that long, say WSJ Wealth and Retirement Expert Maddy Dychtwald. PHOTO: GETTY IMAGES/ISTOCKPHOTO



By Maddy Dychtwald

Apr 22, 2018 10:03 pm ET

*Maddy Dychtwald is an author and co-founder of Age Wave, a think tank and consultancy.*

If you're a woman, odds are you're going to live longer than the average man. Life expectancy has skyrocketed over the past century for everyone, going up, on average, 30 years—but women clearly hold the biological advantage when it comes to longevity. By age 85, women outnumber men 2 to 1, and most centenarians (81%) are women, according to the U.S. Census Bureau's population estimates.

So how do women feel about the prospect of a 100-year life—and are they prepared to fund it?

---

### MORE IN RETIREMENT

---

- Need STEM Teachers? Look to Older Adults
- How to Best Reap the Health Benefits of Volunteer Work
- The Best Account to Tap for an Annuity Purchase
- The Epidemic of Loneliness—and How to Combat It
- 5 Top Retirement Posts of 2017 from The Experts Blog

My firm, Age Wave, together with Merrill Lynch, recently conducted a nationwide study “Women and Financial Wellness: Beyond the Bottom Line” to learn about the challenges women grapple with when it comes to money and investing, especially in light of their longer lives.

What did we learn? Women aren't afraid to live longer, but they are afraid of running out of money along the way.

Over half the women we surveyed (64%), said they'd like to live to 100 but fear they will run out of money if they do live that long. Not only did women say they fear running out of money for their one-hundred-year life, 42% say they are afraid they'll run out of money by age 80.

That's a real problem, since the average life expectancy for a woman is already age 81.

Because they tend to outlive men and—if they marry—tend to marry men who are a few years older, the majority of women find themselves single and needing to be financially self-reliant in their later years. If they've been a caregiver to their spouse, they've often spent down their nest egg in the process of providing that care. These extra years can come with a heavy price tag—women's average out-of-pocket retirement health-care and long-term-care expenses are a whopping \$194,000 more than men's.

## THE EXPERTS



The Experts are a group of industry and academic thought leaders who weigh in on topics covered in the [The Journal Report](#).

When we asked women, “How far into the future have you planned for financially?” the findings were alarming—and clearly showed that women need to start making their financial lives a priority. One in four women say they have not planned at all for their future.

Meanwhile, 63% of women ages 18-29 say financial planning is too difficult to even think about, yet 84% anticipate they will be even more responsible for paying for their own retirement than their parents, according to our study.

Women told us their No. 1 financial regret is not having invested more of their money. But, it's important to note that the women who did invest, most (77%) report feeling that they will be able to save enough money to last them their lifetime.

But there was one missing ingredient: Confidence. In our survey, women said they were confident—equally confident as men—when it comes to all financial tasks but one. You guessed it: investing. Just half of women (52%) said they feel confident in managing investments vs. 68% of men.

The message is unmistakable: Everybody, but women in particular, need to make it a priority to fund their future needs. The easiest way to do this is automatically through their company 401(k). If that isn't available, they must create their own “future fund” for their 100-year self and put money into it regularly, even if it's just a little bit to start.

In order to live long with financial wellness, everybody needs to take the long view, knowing they may live longer than they think.

Read the latest **Encore Report**.

Read More From **THE EXPERTS**

Share this:

FINANCIAL SOLVENCY

MADDY DYCHTWARD

MORTALITY RATES

RETIREMENT PLANNING

WOMEN AND MONEY

Copyright ©2017 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers visit <http://www.djreprints.com>.