

Tammy Cash

Hello, I'm Tammy Cash, EVP and Head of Marketing at Horizons ETFs. Welcome to Generation ETFs, where we explore everything you need to know about ETF investing. In honor of International Women's Day, today we'll be talking about women and wealth. Women currently control 33% of the wealth in Canada, and by 2024 that's estimated that they'll control 46%. Now, that's \$3 trillion. Mind-boggling.

Tammy Cash

To get to the bottom of why we still, as women, seem stressed about money, and more stressed than our male counterparts, today we're joined by Stephanie Wolfe of Wolfe Collective Wealth. Stephanie is a Certified Financial Counsellor and host of the Collective Wealth podcast, a show for women seeking inspiration to live happier and wealthier lives. Her mission is to help women feel confident in their financial matters and improve their relationship with money. That's something I can get behind.

Tammy Cash

Stephanie, welcome and thank you for joining us today.

Stephanie Wolfe

Thank you so much for having me, Tammy, and what a wonderful introduction. That was great.

Tammy Cash

Good to hear. This is the topic that certainly I'm really passionate about, I know you are as well, and I believe that our Generation ETFs listeners will really respond to this one. Maybe we can begin with learning a bit about your background and how you got into this line of work specifically.

Stephanie Wolfe

Yeah, sure. Well, I actually have over 15 years of experience working in asset management. It's been an interesting career path that I've taken. And just in the past year is when I decided to branch out on my own and I became accredited as a Financial Counsellor of Canada. My job really is to help women overcome and build a better relationship with their money in many ways. It has been a phenomenal experience launching this company and being able to work with women who are truly passionate about trying to make a difference in their life.

Stephanie Wolfe

The concept of wealth really is, for me, to live your best life. It's not just wealth in the material sense, but being rich in all aspects of your life. And as you touched on it, women are traditionally, and the stats have shown, experiencing a lot more stress when it comes to money. In fact, it's the number one cause of stress for women, so it's really important that they have the right tools and support to make sure that they can get their financial house in order, so that it really is helping them to live a better life.

Tammy Cash

Wonderful. I pick up immediately on the notion of the emotional relationship with money, and I love, by the sounds of it, your wellness approach, the sort of all-encompassing assessment of what's happening. Can you explain, maybe this is something all financial counselors do or is this something that you tend to specialize in?

Stephanie Wolfe

Yeah, it's something that I do specialize in because I do believe that financial wellness is something that underpins everything in our life. I mean, when you think about it, money supports everything that we have in our life, from your physical health, your mental health, your hobbies, what your interests are. And the traditional role of financial advice, which I still very much believe in, but it often has been, "Here's your investments. This is what you need to invest each month," and off you go.

Stephanie Wolfe

But oftentimes, it's not that simple. There's a lot of underlying issues or self-limiting beliefs that women may have with money. They perhaps may have feelings of inadequacy when it comes to building their wealth. They may have confidence issues that they don't understand enough about it, that they can't really manage it. So they're often putting a lot of trust into somebody who's taking their money and investing it for them. I think what's really important is that women understand how they can get more confidence and have more clarity around what their money's doing for them.

Stephanie Wolfe

So there is a level of education involved with that. But it's also looking at, like I was talking about, some of those self-limiting beliefs that they've really got strong emotional ties to. So my holistic approach to finances, is we look at your current financial situation and we explore those underlying belief systems and the emotions that are often tied to money. So sometimes you may be holding onto a lot of anger or fear, perhaps something happened where you had an incident where you had to owe something and you felt that it was unjust and you're carrying around those emotions with it, and that can carry through into how you actually treat your money today.

Stephanie Wolfe

So what I do, is I really coach through these things and once we start to uncover those emotions, we then work to create a roadmap or a framework for your financial goals. I think that's probably one of the most important things that we look at, is what is it that you're looking to achieve in your life, and tying that to your financial goals. We can find all sorts of strategies to work through, whether it's paying down debt, saving for a vacation or saving for retirement, but really, it's just determining how much they need, giving them the confidence and clarity that they need to go forward.

Tammy Cash

So what you're really ... You're doing some fantastic work. Often money, as it relates to your female clients, I'm sure, can be quite an emotional discussion. Why is it that you've made the business decision to focus on women? What about men?

Stephanie Wolfe

Well, I have male clients as well, of course. But I think what's really interesting is that with women, there seems to be a different message that's been both culturally and socially ingrained in us. I think it's something that we need to start to uncover. And personally, I think there's never been a better time to be a woman. I've said that before. I think right now, is the time that women can really harness the gender equality stance that's happening right now, and really stand up and realize that there is so much power when it comes to money, and to own that financial power and take that back and to own it. It's not something to be fearful of or have lack of confidence around. It's a challenge but I'm up for it, and I'm there to help those women that really want to take that next step but aren't sure where to go.

Tammy Cash

What do you think to those who say that boys and girls are already ingrained with different messages about money from a very young age?

Stephanie Wolfe

Yeah, there's actually been a lot of research done along the lines for this. Boys are taught that money is about power and joy, and girls are taught to be very careful with it and don't spend too much because ... There's this scarcity mindset that sort of plays into it. And actually, there's an analogy that's been used. When men talk in reference to money, they often refer to it as like a river, like a flowing river of money that comes to it. And women, when they talk about money as water, they think of it as a pond, a depleting pond, and that money is disappearing.

Stephanie Wolfe

You hear some women say they may have a lot of wealth in their accounts and they're going to be just fine, but they still have this underlying fear that they're going to be that crazy cat lady with the shopping cart in their retirement. There's a real fear that underlies that. So those messages are really with us, and it's something that we need to start to discuss and talk about and help women overcome those deeply ingrained beliefs.

Tammy Cash

Absolutely. Definitely. I think that if we look around, it becomes clear that women are often served messages that women are just not good with money. And when you start to pay attention to it and how pervasive that kind of messaging is, you really realize that it can have a cumulative toll on how confident women feel about their money management decisions.

Stephanie Wolfe

Absolutely. For sure. Yeah, it can be a huge source of isolation and uncertainty and fear. It's not something you talk to your girlfriends about when you're going shopping, right? It's not something that comes up in everyday conversation. So it's very much still a very taboo subject, behind closed doors, and I think it's something that we need to start talking about.

Tammy Cash

Excellent. What would you believe are the best financial coaching tips that would really set our listeners off on the right foot for the next decade ahead?

Stephanie Wolfe

Oh, that is a good question. I was just thinking there's a lot of mindset work. I was trying to think, I do have some downloads on my website, it's at wolfecollectivewealth.com, it's Wolfe with an E, .com, for anybody who wants to access some of the worksheets that I have around mindset and getting to know your relationship with money and sort of identifying that.

Stephanie Wolfe

But I would say what's ... There's three things really, the advice that I would give right now for women, is to know what your goals are, know what it is that you want your money to do for you. And especially when it comes to investing, you need to know what you're investing for. I think it's really important to understand, for women especially, when I'm thinking about, when you're talking about investing, it's really that five or plus year horizon. You're looking for the longterm. That can be difficult sometimes, I think, to visualize or have this concept of what that looks like for you. Knowing that you have to save for retirement is a very difficult thing for many people to sort of wrap their head around.

Tammy Cash

It can seem daunting, yeah.

Stephanie Wolfe

Yes, it can be very daunting. So it's really, we do a lot of exercises around sort of flipping the switch on that and thinking of what is it that your retirement looks like, so you can create a more positive way to look at saving that money.

Stephanie Wolfe

So I think the first ... So the first tip that I would give, is know your goals, know what it is that you want to achieve. The second thing that I would say for investing, is we've all heard to pay yourself first, and to do that no matter what the amount. The average amount they say is 10%. I would say 20% is perhaps a closer number that you should realistically be setting a goal for. And I think the best way to do this is to increase it incrementally each year of 1% until you hit that 20% mark.

Tammy Cash

Very smart. I could imagine clients that you say this to you, and the looks on their faces when you go from 10 to 20%.

Stephanie Wolfe

Yeah.

Tammy Cash

A cumulative build makes a lot of sense there.

Stephanie Wolfe

It does.

Tammy Cash

A follow up question to that, to what extent are you talking to clients about managing cash flow? Because this save 10% automatically that has been ingrained, and I think is widely well accepted, if you look at a city like Toronto, it's quite an expensive place to live. Getting to that place of even a cumulative build toward 20 requires some sacrifices. Can you talk a bit about how you explore some of those topics with your clients?

Stephanie Wolfe

Yeah, it really does come down to understanding, like I said, going back to the goals. When you're aligned with your cash flow, and I do have a process, a system, that I do take clients through to understand where that money is actually going every month, every year, and aligning those goals to make sure that you've got money allocated in the right spots. So there is certain percentage levels that you do look at, that I take them through, to make sure that we can incrementally move up in terms of savings year over year.

Stephanie Wolfe

And sacrifice, there is some sacrifice, but it really does come down to, I believe, what brings you joy. I think it's really important that you're doing something and when you're spending money, it's something that truly brings happiness to your life. If it doesn't, then it doesn't really need to be spent, have money spent on it. So it's a big process that we do go through, just to make sure that your spending is aligned and you are saving for things that are of value to you.

Tammy Cash

Great rationale. I think it takes people off of autopilot in their spending patterns. So we talked about knowing your goals. We talked about the rule of paying yourself first. What's your third take away?

Stephanie Wolfe

Oh, well, it's a big one. It's know what you're paying for your investments.

Tammy Cash

Huge.

Stephanie Wolfe

Yeah, that's a big one. It's something I can't stress enough, and I want every Canadian to understand, from coast to coast. There's a lot of good tools out there, I won't get into talking about this, on the podcast, about what you can actually, how you break it down in terms of fees, of what you're paying in your investments. I would recommend Larry Bates, he wrote a book called Beat the Bank and he created something called the T-REX Score.

Stephanie Wolfe

If you Google it, you can find it, and on it what you do, is you put in your amount of the investment that you have, the percentage that you're paying in fees, and it tells you the exact amount in dollar form over the timeframe. So if you're investing for 20 years, you'll know how much is going to fees and how much is staying in your pocket. I think it's just a very simple calculation that just gives you a very good understanding of how fees can impact your investment returns over the long-term.

Tammy Cash

Excellent. Pivoting a bit.

Stephanie Wolfe

Sure.

Tammy Cash

Stephanie, I know you're on the board of Women in ETFs. I am making assumptions that you're likely passionate about the investment industry, of course, and specifically the ETF space. Can you give us a little bit of color on why you're part of that organization?

Stephanie Wolfe

Well, Women in ETFs, as you know, they are huge on gender diversity and inclusion, and bringing ETFs more to the forefront and making them accessible and known by Canadians is a big passion of mine. So it sort of marries two things that I care very much about, which is gender

diversity, inclusion, and also talking about the value of exchange traded funds and what they can do for Canadian investors. So it's really important for me to be active on that board and still participate and be involved in being a spokesperson and helping to elevate that profile.

Tammy Cash

Stephanie, this has been a wonderful discussion. I really enjoyed your observations in terms of knowing your goals, and truly knowing what you're paying for investments. I think these are major take aways for our Generation ETFs listeners. Thank you so much for the service that you provide to Canadian women. I encourage our listeners to follow Stephanie. And Stephanie, maybe you can elaborate on how they can reach you?

Stephanie Wolfe

Oh, yeah. Well sure, there's lots of ways. They can follow me on Instagram @wolfecollectivewealth. There's tons of tips and advice that I give on there. Or they can listen to the Collective Wealth podcast. I do a weekly podcast on Mondays, where I interview thought leaders, influencers and authors. And on Wednesdays I do an Ask Stephanie segment, so they can ask me any questions related to money that I do answer on the air, because guaranteed, if you're thinking it, a lot of other people have the same question. And they can also check out my website as well. It's wolfecollectivewealth.com. Because the name of the company says it, it's the collective wealth of women is going to make for a better world. I 100% believe that.

Tammy Cash

With that, thanks for joining us-

Stephanie Wolfe

Thank you so much.

Tammy Cash

... on this special International Women's Day episode.

Stephanie Wolfe

Thank you, Tammy. Thank you for having me.



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