

Transcript  
April 22, 2020



**Lorna Kapusta:**

Hi and welcome to women talk money conversations with fidelity and friends. I'm Lorna Kapusta head of women investors at Fidelity and I am joined by Ryan Viktorin and Onisa Treibs who joined us from our investor centers, although, as you see, they're working from home, where they help people every day with saving and investing decisions.

So as I mentioned, like many of you were working from home focused on staying healthy with our families, I always talk about the fact that I'm home with a gaggle of kids, animals and a husband. But, really what's most important is that we all do our best to stay home and stay healthy and I know Ryan and Onisa are in similar situations.

And so for everybody to join us today. Thank you. But I think first and foremost, we just want to make sure you guys are able to stay healthy and sane in this environment.

So here's what we're going to do today. And over the next few weeks. We know that women are talking money and finances, more than ever, in this current environment. There's a number of questions that have been out there. And thank you all for those that you've submitted beforehand. And really what we're going to do today and in the coming weeks is really try to help address those questions both the

ones that you pre submitted. As well as those that will be taking during the session. If you actually look on the bottom of your screen you will see a little q & a button. And you can kind of hit that and submit any questions. And we're going to do our best to get to them, actually, as we talked through these different themes.

So, we're going to actually look to get started. So before we'd really just dive in. The first thing I wanted to do was just as I mentioned, Ryan, Onisa, just kind of check in. Onisa can you start off and just how are you doing, and can you tell a little bit about what you do.

**Onisa Treibs:**

Yes, thank you. Good morning, Lorna. My name is Onisa Treibs. I'm a vice president branch office manager for our South Lake investor center and I lead a team of financial professionals, advisors and consultants to make sure that they are providing the best experience possible and financial planning for our clients. I've been with Fidelity for 15 years this year. And I'm super excited to be a part of this conversation day.

How I'm doing? Just like everybody else. You mentioned dogs kids husband did you mention that one too. So it's definitely an adjustment for us but there is some silver linings and some positivity behind it that I am trying to capture while we're in this, this time of the year.

**Ryan Viktorin:**

Yeah. And thanks again so much, Lorna, and for having me. You know, on this and I have been a financial advisor for 12 years and for fidelity. I'm a vice president financial consultant outside of Boston in the Framingham investor center.

I really help my clients understand what their goals are. Make sure everything is lined up to help achieve those goals and a huge effort of mine is to demystify this process along the way, because it gets a little bit difficult to understand, at times. Just like Onisa, and in yourself. I have four year old twin boys. I've got the kids running around trying to, you know, learn how to ride bikes through my office. So that's what I'm dealing with to corral adjusting to making it work.

**Lorna Kapusta:**

So thank you both. And we're all making it work. And, you know, we're excited to be here today and just kind of have this conversation. And so let's just let's dive right in.

You know. Onisa, so one of the things that we've heard and we, I will tell you a ton of the questions that came in were really just in this current environment with pandemic lots of market ups and downs. What do we need to be thinking about to ensure that we have our financial house in order? So it could be, you know, actions, we should take since things have happened, but just in general. What are those basic things we all need to be doing so that we can just feel more peace of mind?

**Onisa Treibs:**

Yes, absolutely. So if we're not any kind of understanding that we should, you hear about having an emergency fund. This is a time when you see that an emergency fund why you'd have an getting one order.

So it's really getting back to the basics and creating a foundation. There are three things you want to make sure that you have a good budget and understand your budget and then within that budget. You want to make sure that you are preparing for an emergency and having an emergency fund created and then you really want to look at where you're spending. Sorry. Where your essential expenses in your discretionary expenses are that's going to help you determine how you can be saving for three big buckets that we look at.

50% of your paycheck basically should go to your essential expenses. 15% we would recommend for you to help to try and save towards your retirement savings and then 5% of that would go to your emergency fund. To building emergency fund, you don't have to have one started right away. You want to be building your emergency fund and we'd like to see three to six months and emergency funds.

And then the rest of that would be discretionary. Sometimes I you know there's a big bucket, you know, for maybe shoes. But that's where the discretionary comes into. So that's going to be your travel, you know, entertainment, your shopping, things like that. We can even talk about, you know, savings for college, etc. But those are kind of the basic things that you want to make sure that you have in place.

**Lorna Kapusta:**

Onisa, that's awesome. Thank you. And you hit on one of the buckets, that's really important, which is retirement. I'll tell you, we had a whole host of questions around retirement. I actually want to read them out a few of them. If you can kind of help answer and then Ryan definitely follow on to that. One, there's just, you know, of course, there's just concern around 401k, but there's a lot of concern because a lot of people. They're worried. I say 401k or 403b but workplace retirement accounts.

And any type of retirement account have had a decrease. So what what should people be thinking about? Another question is, if you're already maxing out your retirement account, what would be the next best step saving for retirement?

And the third, sorry about the order here, was really more around-- Should I just keep my pre COVID retirement strategy in place, or should I change it?

**Onisa Treibs:**

Great. Those are great questions. I'm going to tackle the first one, definitely. I know people are nervous because they've seen their retirement savings depleted, but it's a great time to be revisiting your plan. If you have a plan. If you don't have a plan that's okay. It's a great time to start a plan. And when you revisit your plan, you'll get the opportunity to have peace of mind. Now, if for those of us who can continue to save, you definitely want to be increasing. An opportunity for you would be increasing your 401k or 403b or workplace savings and trying to max out to that max that you can contribute. You definitely want to be taking advantage of any employer matching. Right now the markets are essentially on sale. So for those of us who might not have maybe extra cash you could be able to increase those and you really starting to do. You be able to catch up and maximize getting back into where you were through the dollar cost averaging. So that's one thing that you should be thinking of.

The second one, you mentioned extra cash. There are definitely many places that you could be doing additional savings and I know Ryan has those conversations with our clients on a regular basis. So I'd like to just see what Ryan has to offer there when we have clients that are maxing out their retirement savings, were are some other places that they can be saving some money.

**Ryan Viktorin:**

Yeah. Absolutely. And I think once you've gone past your employer sponsored employer sponsored plan. You can also look to IRAs, that may be an option. And there's some considerations there that are important to think through, but then it's getting a sense of what goals are you trying to accomplish. And what's the timeframe that you're trying to accomplish them in. Right. And then how far away are you from, you know, that goal.

So if it's a retirement goal and you're right about to retire, then, this might actually get to the point to Lorna about should my pre coven strategy changed after or even I would call it during, right this you know at this point, and I would say just make sure that what you're trying to accomplish is still the same. Because something as major as this might actually make you reevaluate what some of those goals are. Which can be a good and the bad is scary and an exciting thing at the exact same time. Um, it might push out a retirement date it might bring in a little bit closer. So that might change something. But,

once you have that timeframe established and again it could be that there's college planning. There's maybe I'm going to buy a house or a second house or, you know, whatever it might be.

Depending on the time frame would dictate what the investment strategy would be affiliated with that timeframe right and what how much ups and downs, you can really tolerate for really what it is. So, it shifts away from what type of account it needs to go into right because you really maximize what you can do into what should the strategy be going forward, depending on what you're trying to accomplish with the money.

**Lorna Kapusta:**

So, I, thank you both. And Ryan if that's really helpful because I think we often move right towards account or should I, what should I do with my investments versus the first question we need to step back and ask them this environment is a lot is just changed for us in what we're dealing with. Let's just focus on have our goals changed? How we want to retire change? What's going on with our family because that's probably the first set of questions and then to figure out, okay, how do I change my money plan?

You know, given that, so I want to actually get back to the investing question because we did get a number of questions about that. But before we get there, we also had a number of folks who were really just asking questions around if they need to get access to cash now. So let's say they had an emergency fund or they didn't and kind of they're looking for different options.

**Ryan Viktorin:**

I would say that whatever you do end up with in terms of reevaluating maybe where those expenses are and even reevaluating what you determine as essential and discretionary or how I like to call them as what are those non negotiable for you. Right? That you really, you know, need to spend. Um, but I think it's also once you do get maybe back on track. How do you rebuild that plan right back up and or I should say, rather than plan. I should say that cash pile like you know right back up? And how do you make sure that it's always there and always liquid and even. If you don't, aren't tapping into cash right now. What I would say is to, you know, own he says point is that even if you don't have a big emergency fund because we're sort of not being able to spend at the moment because we're stuck in our house. Here's maybe a really good time to beef up that emergency plan as well just, you know, really kind of let it spread out. So, because we just realized that things are going to be changing. And this is going to be the way it's going to be for a little while. I would say so. It's just an evolving scenario and wanted to stay a little bit have flexibility and tap into it a little bit quicker.

**Lorna Kapusta:**

So that's a good point. And we did get a lot of questions on and I and I know you mentioned this before. How much emergency savings should I have? Where should I keep it? How should I be, should I be thinking about it differently in this environment?

Can you guys? Onisa, why don't you start with that and then Ryan maybe back over to you. Just to tap into such an important ones. I want to make sure we get the point across really clear. Because there are just a lot of questions about that one.

**Onisa Treibs:**

Yes, so we suggest three to six months of emergency funds and emergency savings account and then you're going to want to put that in a high interest bearing account where you can earn a little bit of interest on the money that you're saving. And, then if you want to save more than that, that's fantastic. Yeah, the more savings you have in addition to that, we would suggest that you can put it away, investing it in different in different types of vehicles that you could learn about on how you could grow that money even further.

One thing I do want to suggest or remember is that we, some of us may be receiving the stimulus checks. And, that could also be a great opportunity for us to starter emergency fund replenish our emergency fund, you know, do some may be paying off some debt with that, just to get us in a better position, but I want to, to remember that we have all these different things out there. It's just a matter of do you have your plans. Do you know where what direction you're going into and have you talked to somebody.

**Lorna Kapusta:**

Hey Ryan, you said something to me before that really stuck with me around emergency savings and how much do you need. Yeah, I just think this group would really appreciate it. So can you because it helps it helps me sleep at night. So can you just get to share that little tidbit.

**Ryan Viktorin:**

Sure. What I see have conversations with a lot of my clients is that, you know, from a financial planning perspective, what you'll hear a lot about you read a lot about. And there's good reason why it's there, is three to six months of those essential expenses saved.

What I always talk to my clients about is that everybody always has that sleep at night number. Where they say if I don't have this amount of money in the bank, my head is not hitting that pillow right at night. And, it can't be too big, right, or else it's actually going to start to work against you, but I think it's

also really important right now to get to a place especially with everything going on. And, I don't know about the two of you, but levels of anxiety are slightly higher than they normally are just in a lot of different ways. Health wise, investing wise, job wise and so if a bigger emergency fund feels a little better right now that is okay. And, it's also okay that I know that when you start to look at some of those savings accounts or whatever the rates are that they're quite low today, but that's not always going to be the case.

It's going to come back, you know, to eventually, we don't know when we don't know how fast and what it's going to go to. Sometimes I hear people say, I don't want to keep so much in cash because the rates so low, that I want to do something different with it. And so again that's deviating away from what the job is of that one bucket and it's not going to you know ruin your future, just because of their interest rates right now are much lower, but they'll, they'll come back eventually. But, that sleep at night factor is really important.

**Lorna Kapusta:**

So Ryan. The reason why I love that is, I'll tell you, for myself, and I speak to kind of hundreds of women. With this role and we do a lot of research and we often hear women have a tendency, on average, this is actually lean more towards cash than investing I have this conversation with myself, which is why I think your, your thought on like what you could sleep at night. How do I get that right balance. How do I make sure it's not working against me. But for me, what it was about as maybe more than our rule of thumb of three to six months. And I think in this environment, everyone figuring out that sleep at night number that they're comfortable with is really important.

But, I'm going to get into the next thing, and which is the good news, which is, we do, we do talk about how women just based on the data on average, keep a lot more in cash. The thing that I've actually been most excited about in the many women I've been talking to and then listening to calls and then came flooding in some of these pre questions was around this seeing this opportunity for money that they may have outside of their retirement and their emergency savings. They feel good about that sleep at night number and they've got cash. In fact, one woman wrote in and said, I've got \$100,000 in cash just sitting there is now a good time for me to be investing. I will tell you guys this is not just one question that we got. Not everybody had \$100,000, so kudos, but there was definitely a lot of interest in really wanting to think about. I'm starting out.

What are my options to invest this extra cash? And, then for those who already investing. What should I be thinking about? And, what are my different options to kind of continue to grow my investments during this time? So Ryan, can you just share a little bit about that with us.

**Ryan Viktorin:**

Absolutely. And I think one thing is really, really important. And this also ties into the question of should my pre COVID strategy change is that it's really easy to get stuck and looking at just the short little time period that we're in right now. Right? But if you back up to look at maybe over the past year. Right? Many balances are actually kind of within striking distance of where they were a year ago maybe 18 months ago.

And so again it's like a broken record but it goes back to can't just think about things in little silos to say, oh, it's time to invest it is, what am I trying to accomplish with this asset? Right? This piece of money. And making sure that wherever you choose it's appropriate. Right? And then once you get there and then sometimes people need a little bit of help getting there. Right? And oftentimes, people are really, really good about this and I love that women are asking this question and getting more and more empowered to go do this by themselves. And there's a lot of tools available to help you do that. But for people who might want a little bit of help, because for most people. My job is not their day job, right. So they're focusing on what they're really good at, in addition to being Superheroes. But being moms and wives and partners and girlfriends and things like that. So we're doing all the things at the same time. So if you do need a little bit of help, which is totally fine. There are some levels of that you might want to consider. So there are some digital options that are available. So if you say, I just need a little bit of guidance and some eyes on this. But I also want to make sure that I can just contact someone like almost like a coach, right, from time to time those options are available.

And then the next level, on top of that is to say, I really want to work one on one with someone and I need help figuring out who that is, how to do it right, and then you want to develop that relationship. And what's most important. There is make sure that what you're trying to accomplish is in line with what their understanding is of what your situation is so that you're really closely tied in often, you know, wanting to work together in the same area as opposed to you know, just high level questions like that type of relationship should actually go pretty deep. So, there's different levels available that you could have access to.

**Lorna Kapusta:**

So one question I would have, Ryan and Onisa you decide, I know for myself. I've actually used the digital option. I use a digital option I answered seven questions asked me about how when I needed it, what I needed it for, risk. It was great. And then I know for me, as stuff has gotten more complex that I, we, work with somebody. I'm just kind of curious if you guys were kind of thought about that. Can you just will recommend your recommendation on like who should use a digital option versus who maybe would want to reach out and work more kind of one on one, just to kind of give a sense to everybody. That's kind of listening asking questions like, what, what they should be thinking about

**Ryan Viktorin:**

Yeah, I'm happy. To tackle this at first and then. Oh, nice. It can come over top is what I would say is this would be how comfortable you are in understanding, a lot of the terminology is kind of step one, right. So, if in tandem with what the goals are and how complex the scenario is right. So there are some people who really have a great handle on everything I talk about. And because we talk about this all the time, particularly women. This world is full of jargon. Right? And things are called certain things and nobody knows what they mean, you know, but some people really do and they say, I know what it is. I just don't have time to do the thing I need to do right so I can do something fairly simple and maybe easy answer the questions and they're off to the races. And I just really need some light touch help. But, when it does start to get and the one thing I'll say about that is maybe when you're starting off that's a really nice option to write, but as you get closer to your goal or the balances start to increase or the complexity starts to increase when we're talking about 401k or IRA or college and other types of accounts and all over the place. And you're saying I'm scattered right I need, I need someone to help me do this right, just hug everything for me and help me understand it and that's that might be a trigger point when it starts to feel overwhelming is when you start to say, Hmm, maybe I need to figure out somebody to talk to about this. I don't know, Onisa, do you have anything to add on top of that?

**Onisa Treibs:**

Yeah, so I what many of us probably watching this webinar just first of all let's congratulate ourselves that we took some time to invest in ourselves because I'm sure many of us here are always doing something for somebody else. And we forget about taking care of ourselves. So right now we're taking care of ourselves, but time is really precious so that using a digital option in the resources that are available online. I sit here in the industry and we have this conversation on a regular basis, but I still use those same tools to myself because it really comes down to time. And, then we're going to start to like Ryan said we want need to bring some people in to help us. And that's just generally to when we have any major life events we're going through any type of changes you find how getting married, save for college a death in the family. And then as we get older into our retirement years or we're starting to get ready to start preparing to spend that we're probably going to need somebody walking along that journey with us in that type of when we're in that age, which we're looking forward to.

Basically 20s, 30s, and even early 40s. There's a lot of resources that can help you and then life events, you definitely want to be calling us and then the last one is when you're entering into retirement, using things get a lot more complicated on the plans that you should have a place.

I do want to share, real quick, is that a lot of we talk to our customers and clients all the time. And we've had a lot of conversations over the last 30, 45 days. And, Ryan can attest to this the one set had a plan understood and a know and understand the ups and downs of the market and their timeframe, all of those people were very comfortable when we reached out. "I understand, Ryan told me this is going to happen. We have a good plan in place. I'm good." They were less stressed and they were sleeping at night. So anyone who is watching today, if you want to feel like that you definitely should be taking the

next steps after this webinar on how you can get into a plan, how you can revisit your plan or how you can be comfortable with your plan today.

**Lorna Kapusta:**

Onisa, thank you. I actually have one more quick question before we because I know we're wrapping up and I will tell you talked about life events and this concept of a plan. This is a big life event for all of us, and we got a number of questions around people realizing oh my god I don't have my paperwork in order And so the one thing I just want to help for everybody is if we can just kind of quickly run down.

What are the things that we really should be getting an order? I think this has been like a really big wake up call. And I want to make sure we provide that help and direction. So that people walk out of here with like here, the basic things I need to do and then unfortunately, we'll have to wrap

**Ryan Viktorin:**

Yeah, absolutely. Go ahead Onisa.

**Onisa Treibs:**

Yeah, real quick. And, Ryan, you hit any ones I might have missed. We definitely want to start with wills and trusts and estates. Wills would be number one. I remember actually talking about wills during these types of these types of sessions and thinking my probably need to revisit one or even put one together. Wills and trusts. Even having you know where your logins and passwords are so. And who are those types of contact that you have.

Ryan, I'm probably missing some there.

**Ryan Viktorin:**

Yes, the other two that are really important are something called. It could either you'd come across them as a health care proxy or medical directive, which means if you know, become incapacitated, someone can make medical decisions for you. And, then a power of attorney is again if you become incapacitated, someone can make financial decisions for you, which are really important. And again, none of this is fun to talk about. I mean, this is talking about, What if I get sick? What is I pass away? You know, it's really not fun. But that said, we're kind of all stuck in our houses and right now is a really good time to focus on all of that and it is a little bit of a wake up call to make sure that all of those types of things are in order. Right? And if you can't run out and get a will, then just take a look and make sure the beneficiaries on your accounts are correct. Make sure it's going to the right person. If you have

questions, call us. Ask if that's the right. If it's on there? If you don't know how to, you know, view it, but most of it should be available and right at your fingertips.

**Lorna Kapusta:**

Thank you. That's, I think, really important as again. It was one of those lots of people were asking that question. So we are actually coming to almost 12:30. Onisa and Ryan, thank you for spending the time with me today.

And I want to thank everyone for joining and hopefully you guys will join in the coming weeks where we will continue to cover, you know topics that are important now, but just important always, to make sure we're getting our money plans in order.

The one thing I want to make sure, is that there's additional resources to support everybody. You can log into your account and look for the COVID 19 Fidelity Resource Center, so a plethora of good information now. Really supporting the different areas that we talked about. And, then in addition, as we mentioned Fidelity is always here and cares to help. And so if you want to speak to a Fidelity representative, please call and the number on the screen should go up. 1-888-766-6813. Available to help. This, for workplace customers is a complimentary benefit, but just so that everybody knows anyone calling, even if you don't have a workplace account, you can call us and we are here to help. And it is complimentary.

So thank you for joining us and look forward to hopefully talking with you all next week as well.

**Onisa Treibs:**

Thanks, Lorna

**Ryan Viktorin:**

Thanks so much, Lorna. Great to be with you.

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