

# COUPLES & MONEY: A STARTER GUIDE

Discussing Finances, Debt and a Shared Path to Retirement

How well do you and your significant other communicate about money? From how much you earn, save and spend, to setting financial goals for the future, to how money choices can affect stress and overall financial health of your household – these are examples of topics couples need to talk about together to help achieve long term financial harmony.

If you find these conversations to be a challenge, you're not alone—according to Fidelity Investments' 2018 *Couples & Money* study<sup>1</sup>, more than four in 10 couples admit they have difficulty talking to their partner about money.

And yet, the advantages of having open discussions about financial matters are enormous. It's important to set aside time at least annually to have formal conversations to help ensure you're on the same page—and tackle any challenges you may have *together*.



**Here's a checklist to help you and your partner jump start conversations about your finances and your future**

## GET IN FINANCIAL SYNC

ACCORDING TO THE *COUPLES & MONEY* STUDY



of couples **say they work together on making decisions about retirement savings** and other long-term goals

- Take the time to do an inventory of all your accounts. Are you each up to date on how much you own and how much you owe? What's coming in and what's going out?
- What are you saving for? Are you aligned in terms of year-to-year financial goals?
- Do you have a financial plan in place to reach those goals?
- How comfortable are you each handling financial responsibilities? Will one of you take the lead as primary decision maker for day-to-day finances? What about longer term financial planning and investments?
- How often do you discuss your finances? Are you setting aside time to sit down together at least annually to review your overall financial picture?
- Do you have a financial advisor that you meet with together for guidance? Would doing so better help you stay on track?

## SHINE A SPOTLIGHT ON MANAGING DEBT

MORE THAN HALF (52%) of couples **carried debt into their relationship**

AND

**40%** admitted it had a **negative impact**

- How much debt do you have? How long have you had it?
- What is the interest on the debt?
- Is your debt manageable, or is it putting a negative strain on your day to day?
- Have you made progress paying down your debt, or is it time to put a more aggressive plan in place?
- If you're carrying student loans, have you looked into student debt payment options through your employer?
- How can you work *together* to help drive this down?



# MAXIMIZE RESOURCES AND PROTECT YOUR FUTURE



Across the board, couples list **"having enough money to save for retirement"** as their *top concern*.



of millennials say they **are concerned about having enough money set aside to pay for their child's future education**

- Is your budget (and spending) allowing you to save enough for goals both in the short term, like back-to-school shopping for the kids, and family vacations, as well as the long term, like college tuition and retirement?
- Could you be saving and investing a little bit more to help you reach those goals sooner?
- Are you each familiar – and comfortable – with how your savings is invested?
- Are you maximizing resources offered by your employer, which may include access to benefits such as health care savings plans, student debt, fitness or tuition reimbursement, and free investment guidance?
- Do you have proper insurance to cover your family, your home, and any important property? Are your beneficiaries updated on all of your accounts?
- Do you have a will and health care proxy in place, should the unexpected happen?

## ENSURE YOU'RE ON THE SAME PAGE FOR THE FUTURE (Even if Retirement Still Seems Far Away)



While nearly three quarters of couples say they communicate very well when it comes to finances, **Fidelity's study finds many aren't as aligned as they may believe**

40%

of couples **disagree on what age they plan to retire**

54%

**disagree on how much should be saved** by that time

- When do you plan to retire, and what kind of lifestyle do you envision? Do you want to travel, or stay closer to home spending time with family?
- Do you want to remain in the home you have today, or do you hope to move somewhere new?
- How much retirement savings do you have currently? How much do you think you'll need as a couple? Are you taking into account potential health care costs as you plan?
- Do either of you plan to work part-time or full-time during retirement?
- Have you put your financial and legal documents in an agreed upon safe place (together)?
- Have you exchanged passwords to important bank, investment and credit card information?



**Getting on the *same page* now will put you in a better position to reach your joint goals later**



# REMEMBER THE THREE “Cs”

To make sure both partners are on the same page and equally comfortable with the finances, **Fidelity recommends the three “Cs”:**



## COMMUNICATE:

Make it a point to set aside time to have meaningful conversations and identify shared financial goals. If extra help or guidance is required, a financial professional can often help sort through the important points to consider and facilitate agreement.



## COLLABORATE ON A PLAN:

Building a financial plan together gives each partner an equal opportunity to understand their financial needs and how to get there, as well as helping identify potential hurdles and sacrifices that need to be made.



## CONTROL LEADS TO GREATER CONFIDENCE:

Having a plan—and sticking to it—leads to greater confidence for both partners, which brings greater peace of mind that a solid roadmap is in place to achieve your goals and dreams. Review at least once a year to adjust for life changes and keep up to date.

## For More on How to Get on the Same Page with Your Finances

Check out Fidelity’s [Viewpoints](#) series, which offers a wealth of information regarding financial matters and essential questions every couples should ask, including:

- [Four things to talk to your spouse about now](#)
- [How to Pay off Debt—and Save too](#)
- [Five financial tips for newlyweds](#)

Also, [FidSafe](#) offers a free and secure digital place to store, access and share important documents, such as a will, life insurance policies and birth certificates.

FOR ADDITIONAL INFORMATION, VISIT  
[www.fidelity.com](http://www.fidelity.com)

<sup>1</sup> Fidelity Investments 2018 Couples & Money Study, June 2018 -- 1,627 couples (3,524 individuals) surveyed, with an average age of 52, either married or in a long-term committed relationship and living together. The biennial study was launched in 2007 and is unique in that it tests agreement of both partners in a committed relationship on communication, as well as their knowledge of finances and retirement planning issues.

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