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FEATURES, WORK & MONEY, COVER STORY

Mr. Wall St. meets the Ms.

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They have come in droves to the market, forming investment clubs, and making lots of purchases.

And Wall Street is taking notice.

For a variety of reasons, women increasingly want to take charge of their investments instead of leaving them to others.

In the US, women account for half of all stock market investing, according to a recent stock exchange study.

And with good reason. Women still earn at about three quarters the level of men, and they see investing as one way to stay even.

Many women are also unprepared to go it alone financially - a prospect that is virtually certain for most.

The National Center for Women and Retirement Research at Long Island University says at least 80 percent of American women will, at some point, be solely responsible for their financial well being.

As a group, women investors bring a different approach, one that fits more closely with the investment advice of many financial professionals.

They invest for the long term, according to a survey for Investors Group, a Canadian firm, with the goal of self sufficiency by retirement.

That strategy is working. A study by the National Association of Investors Corp. (NAIC) in Maryland finds that all-women investment clubs consistently outperform their all-male counterparts.

Over the past five years, the NAIC has seen a dramatic increase in its female membership. Today, 68 percent of the group's 733,000 members are women.

So it should come as no surprise that investment companies - from the giant brokerages of Wall Street to the hot new players among Internet traders - see women as the next big market.

Financial services companies are moving aggressively to attract female investors, offering seminars, Web sites, publications, and ad campaigns aimed specifically at women.

They hope to attract women like Alice Ball, who takes home more than $100,000 a year from a family oil and gas business and other investments.

Over the past few years, she says she's gotten an increasing number of invitations to financial seminars as well as phone calls from investment counselors.

"They're like bank robbers. They go where the money is," says Ms. Ball, an Atlanta resident. "A lot of women are earning more money, younger. They have better jobs, higher wages, all expenses, and a car - as the song says."

Brokerage ad blitz

As recently as 1997, few financial firms gave women clients more than a second thought.

But then Salomon Smith Barney (then Smith Barney) launched an ad campaign geared toward women and has since doubled its advertising budget dedicated to women.

And with good results. Some 40 percent of its clients are female, up from 28 percent in 1995, says Mindy Ross, director of target market initiatives for the investment giant.

Ms. Ross says women represent one of the firm's largest growth opportunities.

"The existing client base was a 55-plus-year-old white male. Every year, our client base was getting one year older, so you can see how that led to a slight bit of vulnerability," she says.

Salomon isn't alone. Megafirms like American Express, Equitable, and Discover spend big bucks on magazine and newspaper ads aimed at women.

Even publishers are launching magazines dedicated to women and their money.

"It's hard to pick up an issue of any of the financial magazines that doesn't have an article or an ad in there with a theme that appears to be targeted to women," says Don Blandon, president of the American Savings Education Council, which tries to promote financial independence.

Seeking advice, getting little

Wall Street still falls short, according to Andrea Robinson, a corporate lawyer in West Lake Village, Calif. She has been investing for a decade and has more than a year's salary invested in stocks, bonds, and mutual funds. She finds that few investment advisers are accustomed to knowledgeable female clients.

But that may be because many women still know far less than they need to know about investing. They remain particularly vulnerable to poverty in old age. Compared with men, they earn less, save less, work without pensions, and spend less time working. They also live longer, which leaves them more time to use up their savings.

The American Savings Education Council found that 40 percent of women it surveyed had not saved for retirement. Respondents said they had not found easily understood material, did not know where to start, were uncomfortable dealing with financial institutions, or believed Social Security or family would take care of them.

Of women who have saved for retirement, only about one-third believe they are investing wisely, compared with about half of men who say the same thing, according to the 1998 Retirement Confidence Survey.

Beth Kimmel, a self-employed children's author in suburban New York, lets her banker brother manage her portfolio. Her account has grown to $40,000 over the last decade, but she says she doesn't pay attention to the particulars - possibly because she doesn't have the money to invest now.

"I have the impression that you need to know so much. You either have to completely trust someone as if they were your physician, or you have to take on the burden of knowing yourself - following the market, following the economy, knowing what risks are likely.

"I guess it's just so vast that I might as well try to learn to speak Welsh," says Ms. Kimmel.

At the same time, she says women just want the same advice men have been getting for generations.

Women must plan more for retirement because they often...

1. Live longer than men do.

2. Earn less money than men do.

3. Change jobs more frequently than men do.

4. Leave and rejoin the work force more frequently than men do.

5. Follow a husband who has been transferred, giving up a job and benefits when a family must move.

6. Tend to work in jobs less likely to have employer-provided retirement benefits.