

Read All About It: Retiring Well in New York

BY CLAUDE H. COLLINS

Our blog, Retiring Well in New York, is up and running and getting many hits. Hopefully some of them are coming from your visits. But for those of you who are yet to venture there, here's a quick overview on what we're blogging about and who is doing the blogging.

A main focus of the Altfest blog is on how retired individuals can find interesting and cost-effective things to do in the New York City area. Even if you are still working, you can take advantage of many of these suggestions.

In addition to our professional staff members' blogging on personal finance topics such as inflation-adjusted investment vehicles, whether Social Security will have a COLA,

financing college education, and investment strategies we feel will be important to you, we are fortunate to have a guest blogger, Nancy Mandell, a former writer and editor with Wealth Manager magazine. Since inception, Nancy has been filling our blog space with interesting topics and activities centered on New York City living, and even traveling abroad to Italy; she enjoyed the Eternal City but could not get senior discounts as we can here in New York.

Here's an inside "tip": Nancy Mandell will be the guest speaker at our next Women's Financial Salon™ in March. Some women clients will receive an official announcement; others can contact us if they wish to be included. Seating at this event is limited to only two dozen women.

For now, take a look at our blog postings at www.altfest.com/blog. And post your comments on the blog. We love to hear your thoughts. New postings appear each week, so please check back often. You never know what good ideas may be waiting for you!

Helping Your Friends & YCP

If you have a friend or family member who can benefit from our services, let us know. To show our appreciation, we will make a donation to the Yorkville Common Pantry--an East Harlem organization Karen helped found and lead as the first Chairman three decades ago, that now delivers 2 million meals a year to needy New Yorkers-- for each referral you provide.

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The Key to Investor Success: Behavioral Finance & Women's Habits

BY KAREN C. ALTFEST, Ph.D., CFP®

Recently, Karen interviewed Gayle Buff, MBA, CFP®, CFA, principal of Buff Capital Management and guest speaker at our 2009 Women's Financial \$pa™ about women's financial behavior and the way it affects their thoughts and decisions.

Karen C. Altfest: Gayle, you have uncovered many incredible things about how people use their left brains and right brains. What surprised you the most in becoming familiar with your topic?

Gayle Buff: I think what I've realized most is that when one fully grasps the degree to which we ignore or simply don't check in with both functioning sides of our brains, it is really remarkable.

KCA: Has your own background as a psychiatric nurse a long time ago and as an investment advisor currently led you to be more interested than most professionals about how people make financial decisions?

GB: Probably the combination of my earlier training in psychiatric nursing resulted in my heightened awareness of how people process information. In finance of particular interest is the process by which investors make choices that often have a large impact on their lives.

KCA: Do you find patterns among specific groups of people, for example, those with more or less education, those with more or less money, or those with more or less experience?

GB: The patterns I see relate more to a particular style of dealing with certain types of anxiety provoking issues – some people are more risk averse, while others are calmer in the face of uncertainty. I also see some patterns in terms of gender. However, I don't see many commonalities among types in terms of class background.

KCA: What are the greatest differences in financial decision making between men and women?

GB: Generally, I find that women tend to be more cautious than men. However, this is not always the case. Men tend to be more over-confident in their abilities to discern market patterns, where often none exist.

KCA: What are some advantages women's brains bring to the table?

GB: Women have a more transparent corpus callosum, a thin membrane
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Upcoming Events at Altfest

MARCH 9, 2010: **WOMEN'S FINANCIAL SALON™**
Featuring guest speaker Nancy Mandell

JUNE 8, 2010: **ALTFEST ANNUAL EVENT**
Featuring guest speaker Donald Yacktman

The Key to Success... (continued from page 1)

dividing the brain's hemispheres, than men. This does impart certain advantages, the most prevalent being the ability to gain access to each brain hemisphere more easily. This means that women often have greater insight into their feelings because they can connect more easily to the right side of their brains. Men usually have more difficulty using both the right and left hemispheres of the brain in an integrated fashion, putting them at more of a disadvantage when it comes to connecting with their emotions.

KCA: Are there disadvantages for women as well?

GB: Having greater access to our feelings can potentially lead us to discount our left brain's rationalism. This puts us at the same disadvantage as men, leading us to use only a part of our brains, just a different side than men. However, I believe that women have greater potential to achieve the ideal because of our advantage in this regard.

KCA: Are there a lot of differences within our gender?

GB: There are always variations within each gender. There are men who seem to feel more than

reason and women who reason better than feel.

KCA: How do you think people generally reacted in the 2008 recession as rational beings and as emotional beings?

GB: In the 2008 recession, there was a range of reactions, as I would expect from the variety of personality styles – some wanted to sell everything now, others calmly told themselves the market would come back, many didn't want to look at the realities of their current losses.

KCA: What more could they have done to save themselves some grief?

GB: Discussing thoughts and feelings with advisors during market turmoil would greatly aid decision making.

KCA: We spent a lot of time talking to our clients, and it did help. Now that we know more about how women react, are change and growth possible, or are women forever programmed to do one thing or another?

GB: Normally we respond in a habitual way – that is what is characteristic for us. We are not doomed however to always respond in this

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way. With attention to identifying our own style we can seek support and other input to change our behavior and develop new, more adaptive habits.

KCA: How do you teach people you work with to reign in their emotions about money?

GB: When working with individuals it is important to listen to client feelings and then present another version that may be less emotional, more reasoned by virtue of the advisor's experience.

KCA: Here's a question that may only interest me, but I can't resist asking. Do you think men or women make better financial advisors and why?

GB: Each brings their own special talents to the work situation – a mix of left and right brain thinking is essential to successful financial decisions.

Gayle Buff, MBA, CFP®, CFA



Gayle is the Principal of Buff Capital Management, a wealth management firm located in Newtown Highlands, MA that she founded in 1989.

In addition to her private practice, Gayle has a long career in teaching finance and investment courses at both the graduate and undergraduate levels. Currently, she is an instructor for the Boston Security Analysts Society, where she teaches courses on portfolio management to CFA candidates.

Gayle has been listed in Who's Who in Finance and Industry since 1995. She has also been named as one of the 150 Best Financial Advisors for doctors by Medical Economics Magazine since 1998 and one of the 100 Great Financial Advisors by Mutual Funds Magazine from 2001 through 2003.

Gayle holds membership in the CFA Institute, Boston Estate Planning Council, Boston Economic Club, Boston Foreign Relations Committee, and was Director and past President of the Boston Security Analyst Society. Gayle is former Chair of the Northeast / Mid-Atlantic Region of the National Association for Personal Financial Advisors and a member of the Advisory Board and past Director of the American Lung Association of Massachusetts.

Prior to founding Buff Capital Management, Gayle worked as a financial analyst at Texas Instruments, and previously was a Clinical Specialist in Psychiatric Nursing.



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