RETIREMENT INSIGHTS

Women & Retirement

Living longer and financially stronger

J.P.Morgan Asset Management

Women have made strides but still face unique planning challenges

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Agenda

1. Women are taking more control over their future → Competing priorities may hamper retirement planning

2. Women still face many unique challenges → Need for tailored and comprehensive financial solutions

3. Checklist for retirement preparedness → Build a plan, save early and invest with confidence

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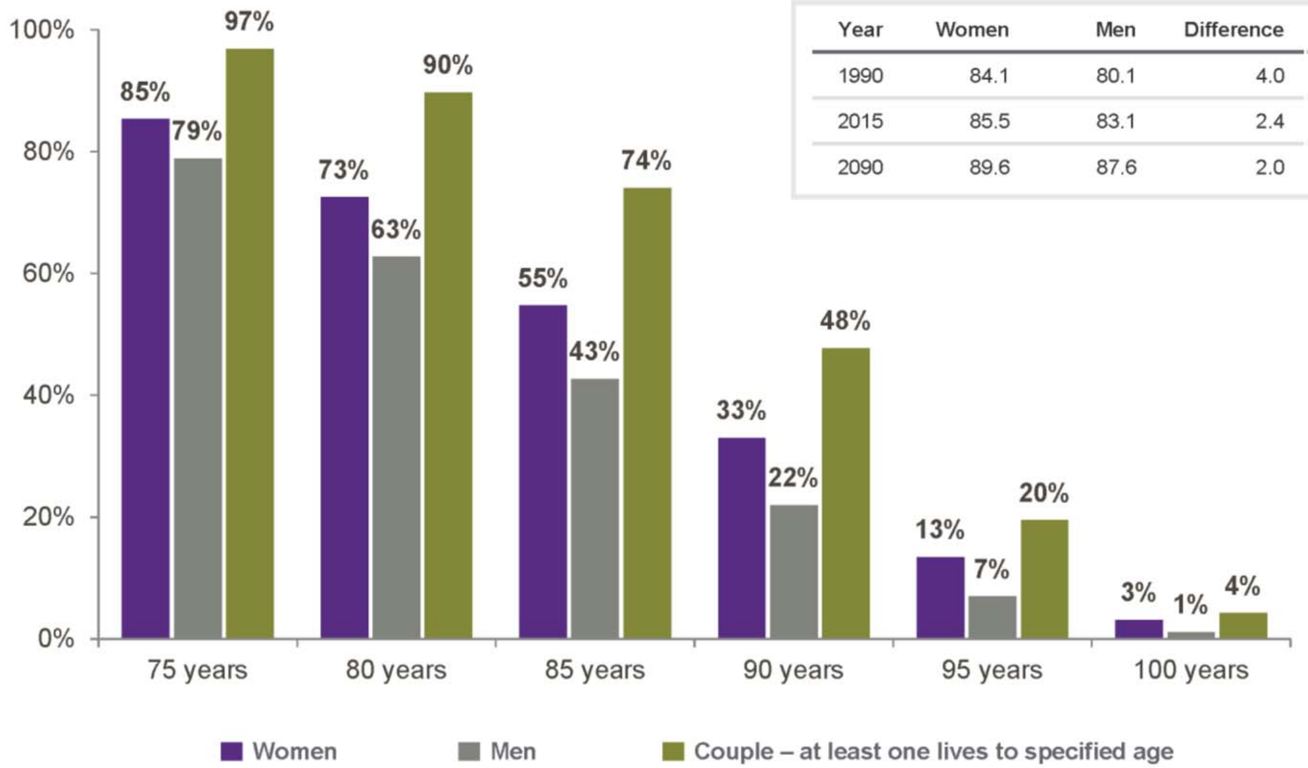
Life expectancy probabilities

If you're 65 today, the probability of living to a specific age or beyond



Average life expectancy at age 65

Year	Women	Men	Difference
1990	84.1	80.1	4.0
2015	85.5	83.1	2.4
2090	89.6	87.6	2.0

PLAN FOR LONGEVITY

Average life expectancy continues to increase and is a mid-point not an end-point. You may need to plan on the probability of living much longer – perhaps 30+ years in retirement – and invest a portion of your portfolio for growth to maintain your purchasing power over time.

Chart: Social Security Administration, Period Life Table, 2013 (published in 2016), J.P. Morgan Asset Management.
Table: Social Security Administration 2016 OASDI Trustees Report.
Probability at least one member of a same-sex female couple lives to age 90 is 55% and a same-sex male couple is 39%.

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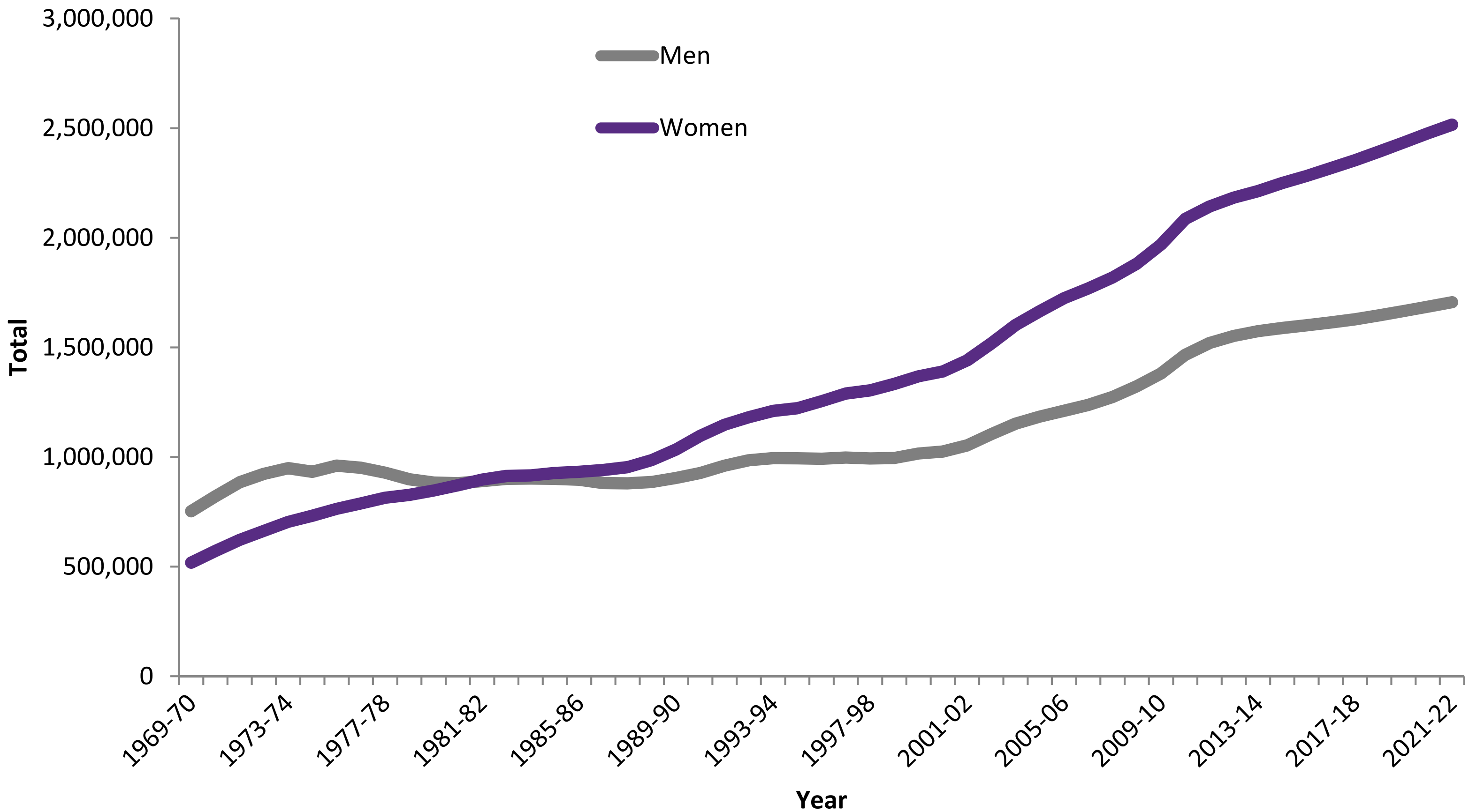
Women are becoming more educated

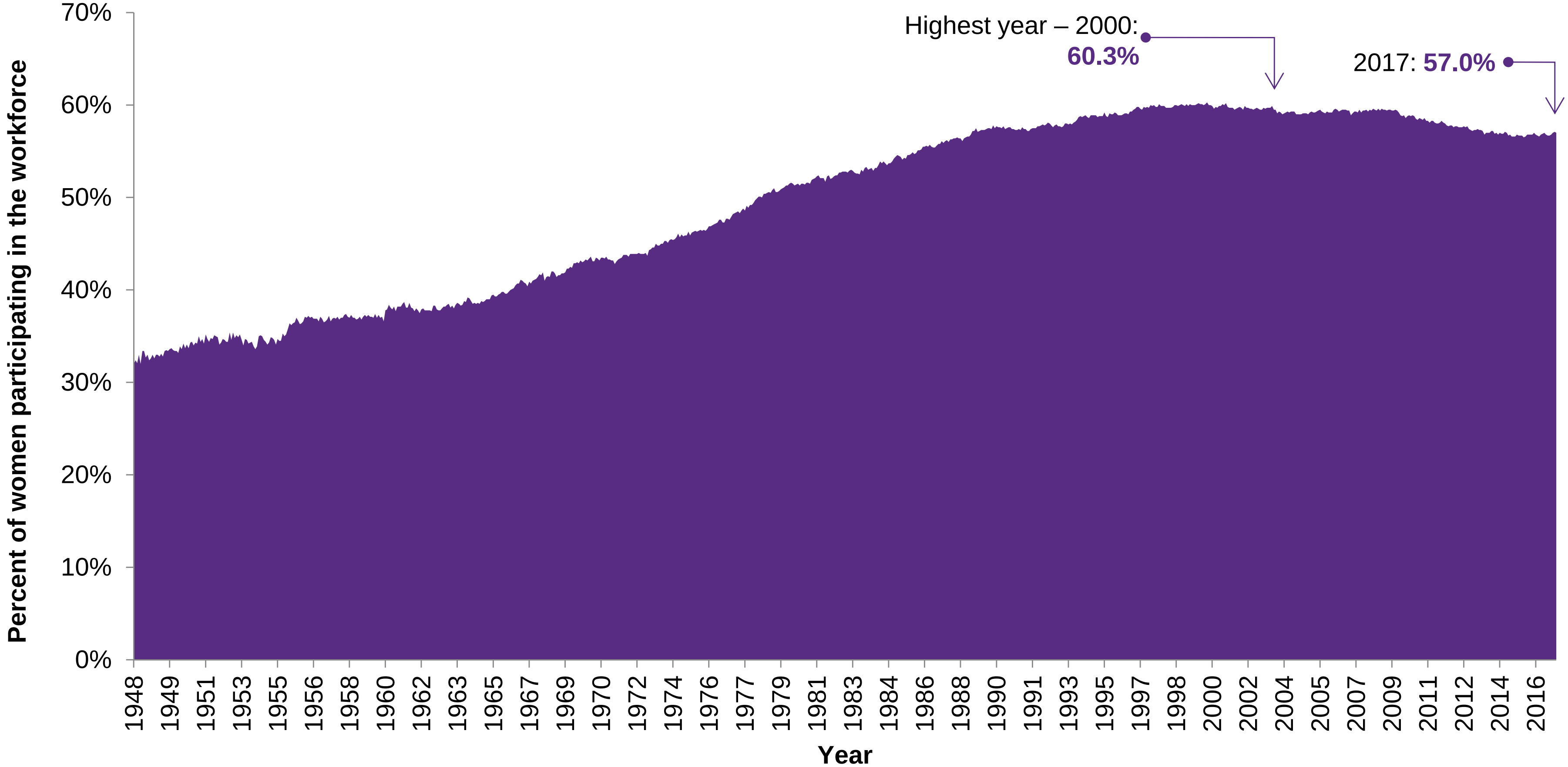
Young women have outpaced young men in postsecondary enrollment and educational attainment since the early 1980's



U.S. Department of Education https://nces.ed.gov/programs/digest/d16/tables/dt16_322.20.asp?current=yes
2011-22 are projected; table prepared June 2012
Includes Ph.D., Ed.D., and comparable degrees at the doctoral level. Includes most degrees formerly classified as first-professional, such as M.D., D.D.S., and law degrees.

More than half of all women participate in the workforce

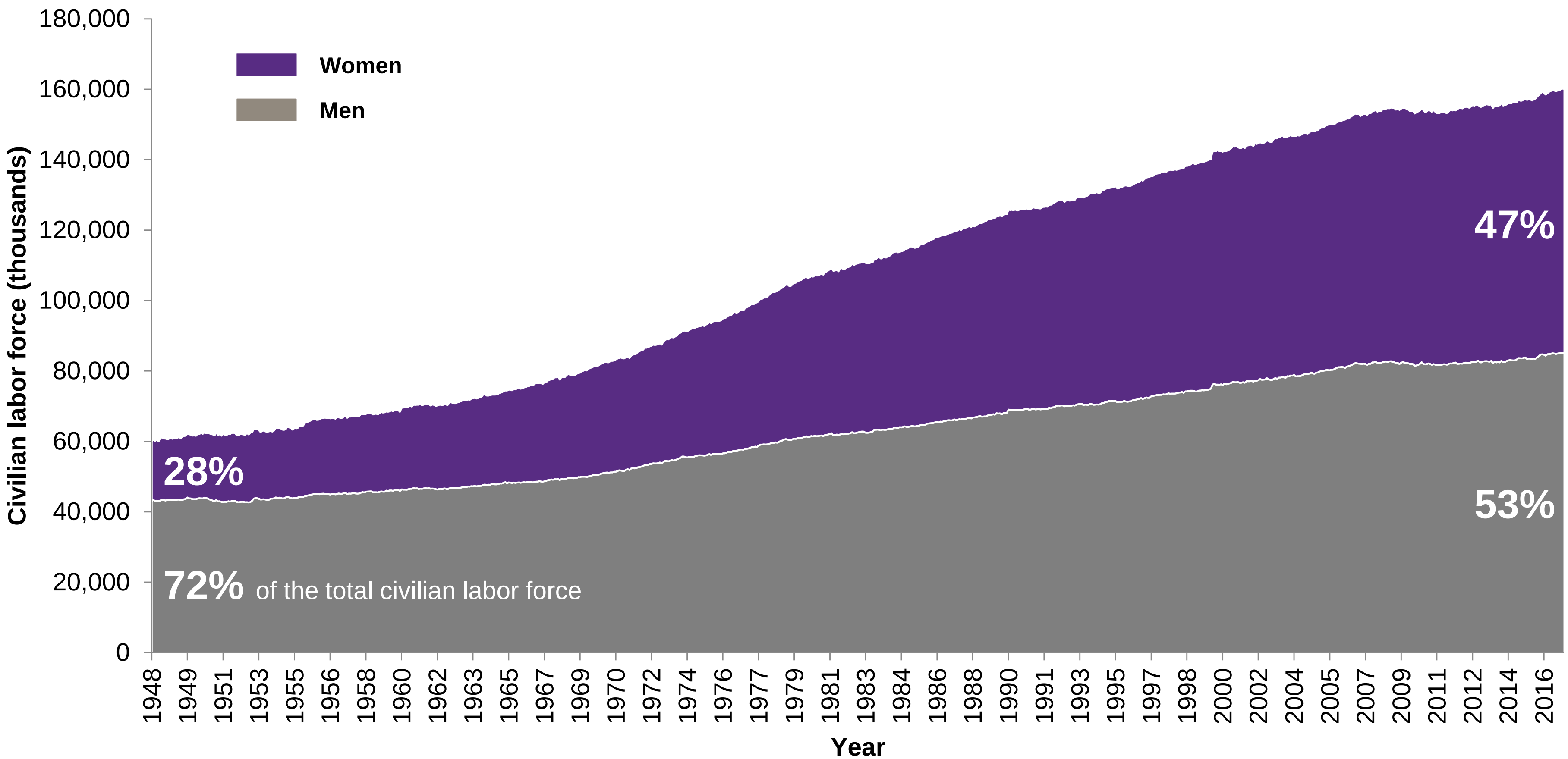
Women's participation in the civilian workforce



U.S. Bureau of Labor Statistics, Civilian Labor Force Participation Rate: Women [LNS11300002], retrieved from FRED, Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/LNS11300002, May 12, 2017.

And they're making up an increasing proportion of the labor force

Total civilian labor force for men and women

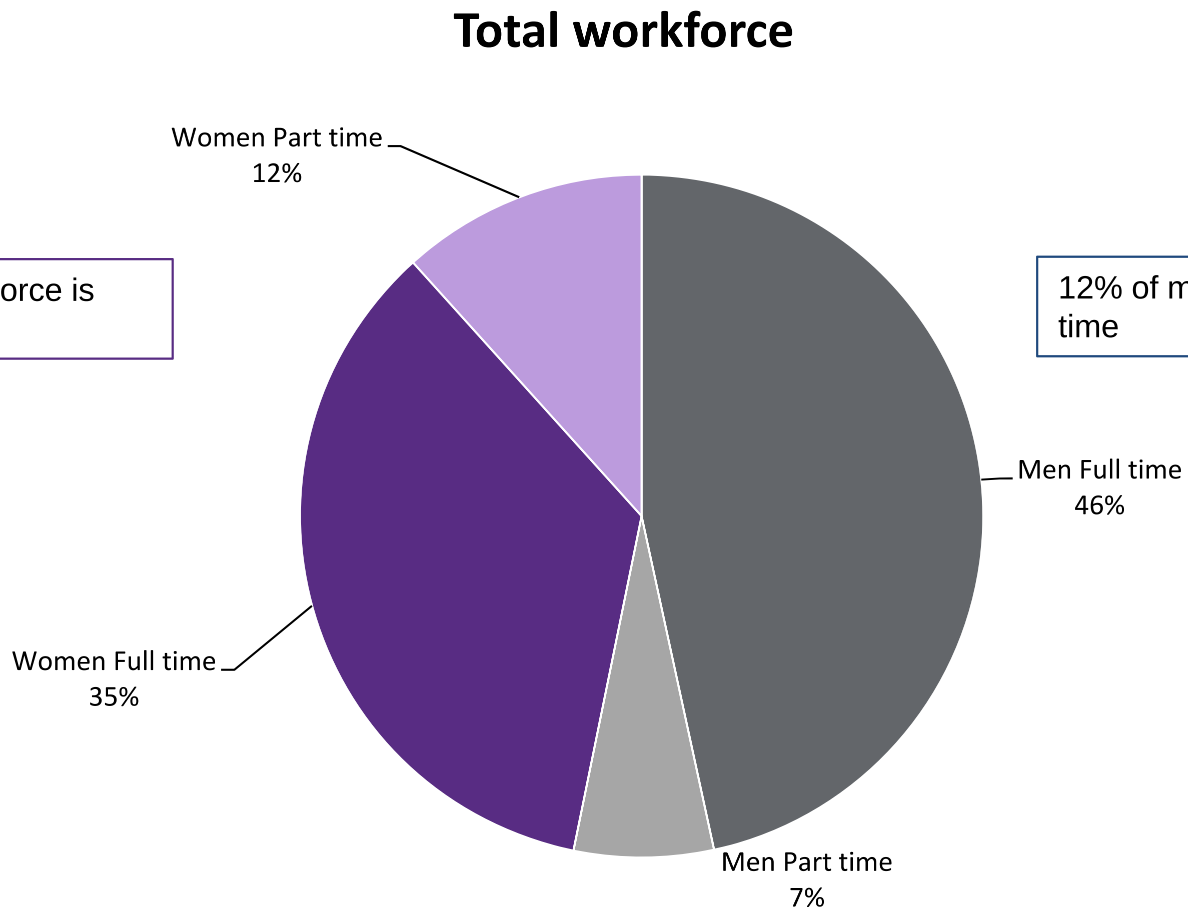


U.S. Bureau of Labor Statistics, Civilian Labor Force Level: Men [LNS11000001]; Women [LNS11000002], retrieved from FRED, Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/LNS11000001, May 12, 2017.

But more women work part-time than men

Total civilian labor force for men and women*

25% of female workforce is part-time

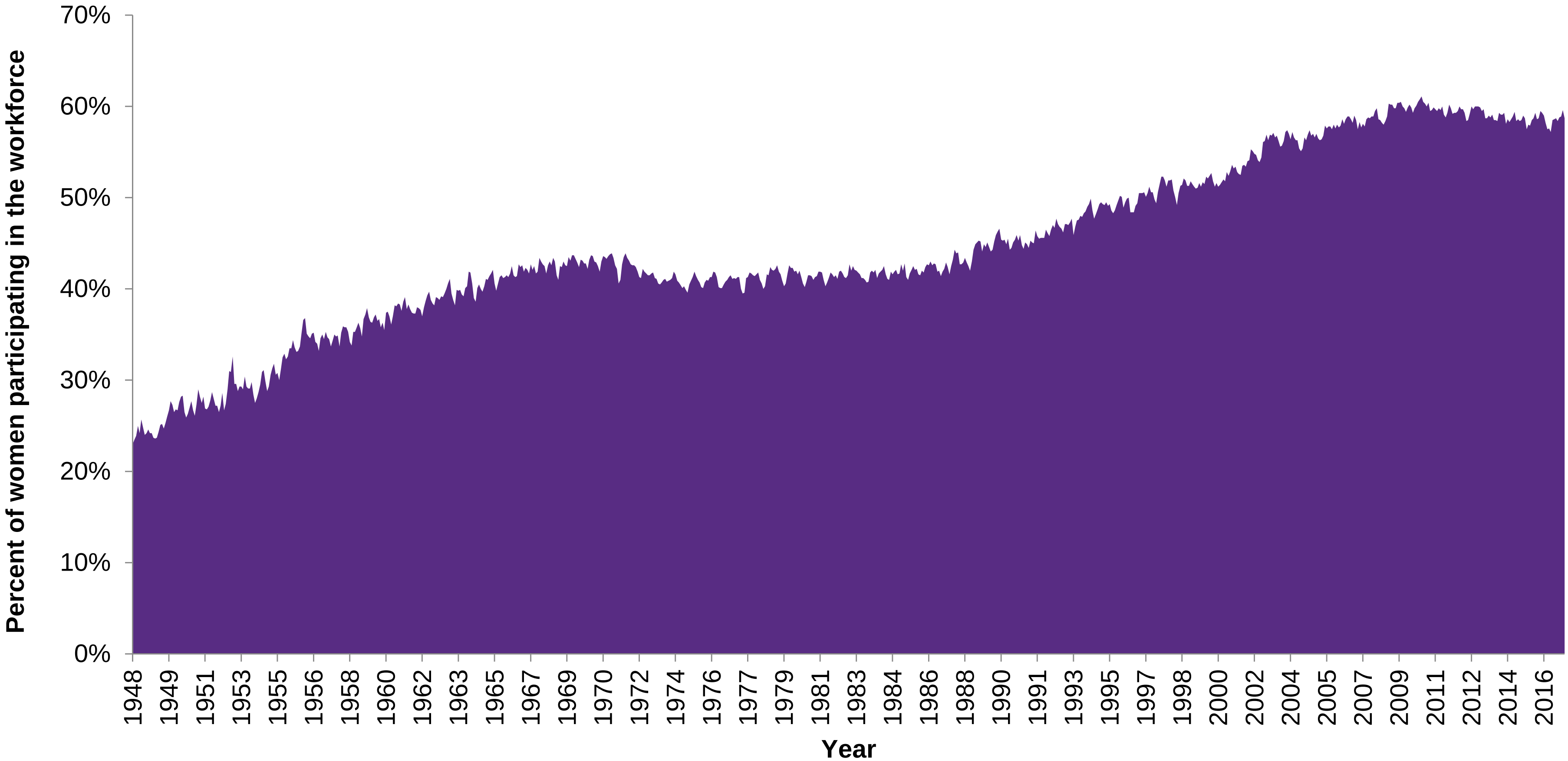


12% of male workforce is part-time

*Employed and unemployed full- and part-time workers
U.S. Bureau of Labor Statistics, Civilian Labor Force Statistics from Current Population Survey, February 8, 2017
Total men employed: 80,569
Total women employed: 70,868

…and more older women are working than ever before

Women age 50-64 participation in the civilian workforce



Source: Unadjusted Labor Force Participation Rate – 55-64 yrs, Women; civilian labor force. Bureau of Labor Statistics, May 2017

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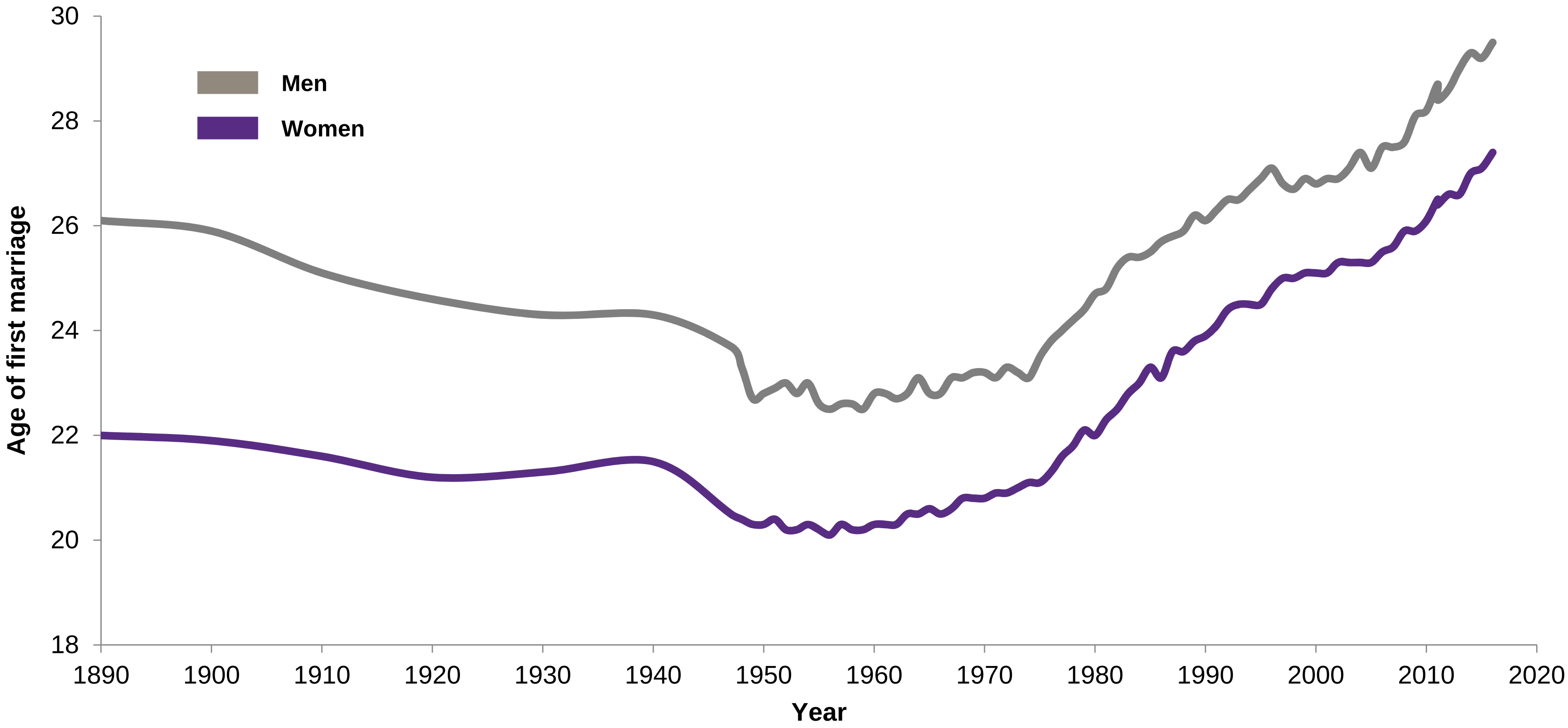
Women are delaying marriage

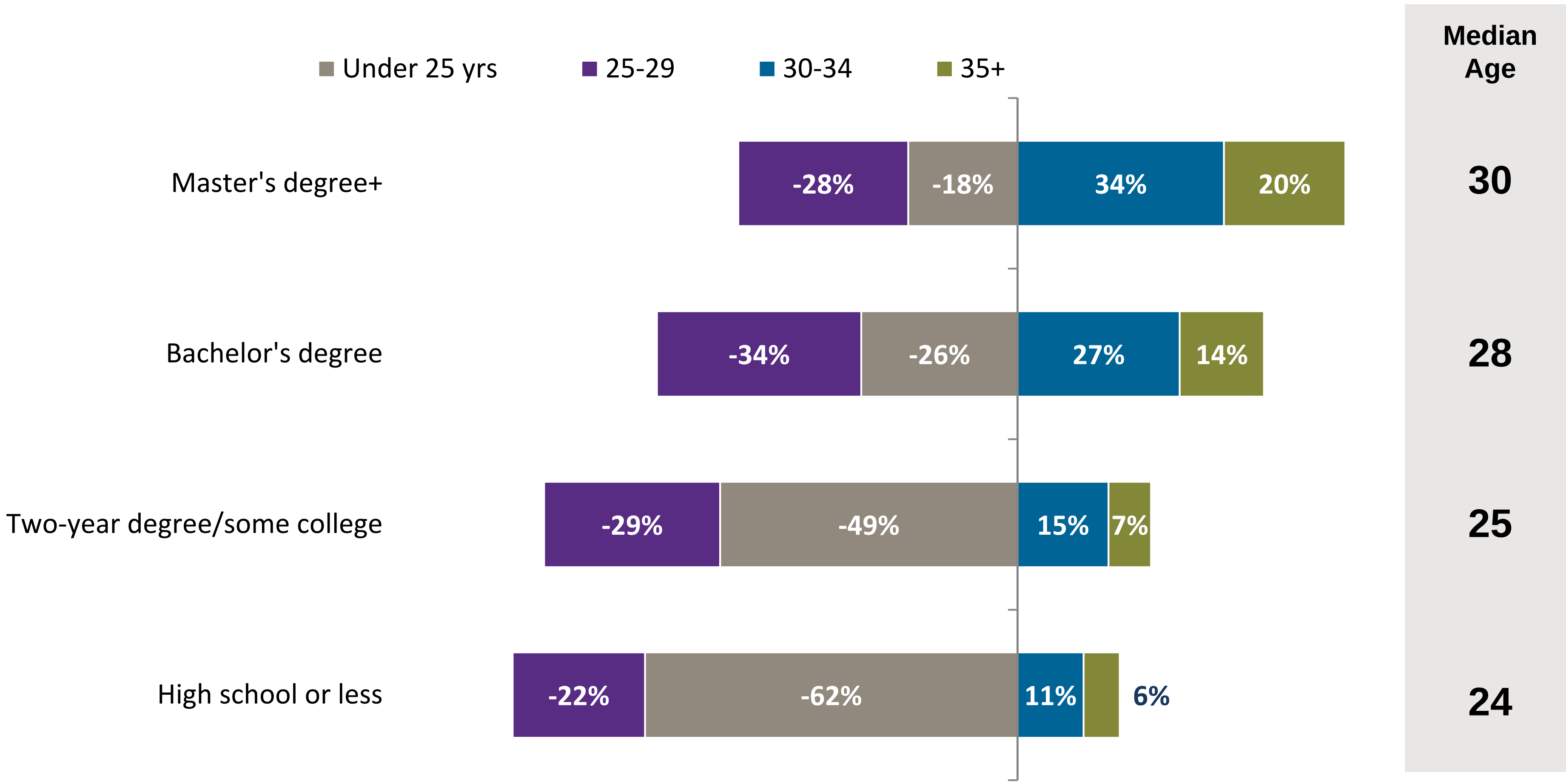
Median age at first marriage in the United States



Source: U.S. Census Bureau, Current Population Survey, March and Annual Social and Economic Supplements.

Highly educated women likely to start a family in late 20's and 30's

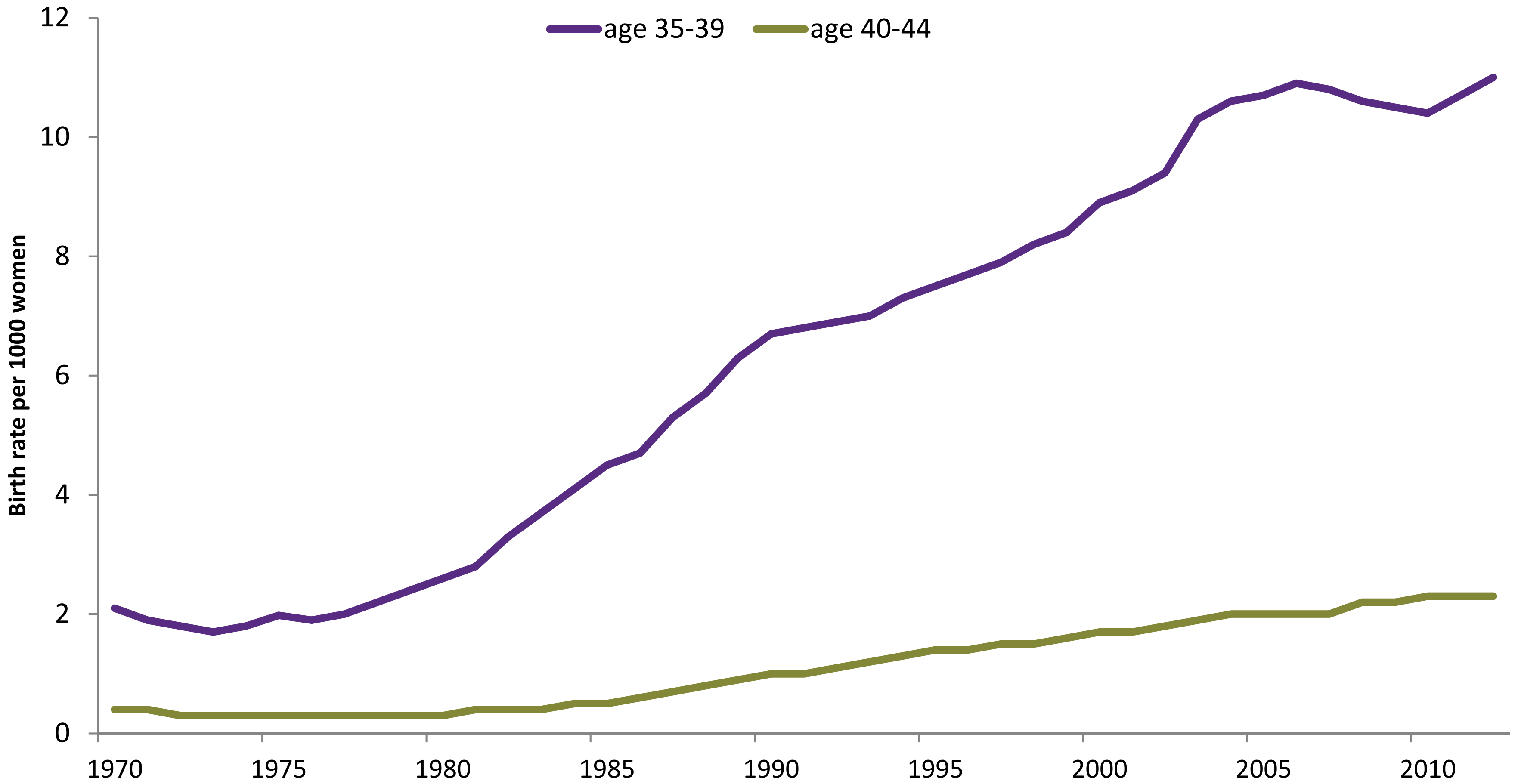
Age at birth of first child, by educational attainment



Pew Research Center, "For most highly educated women, motherhood doesn't start until the 30s," January 15, 2015

More women over 35 are becoming first-time moms than ever before

Births to first time mothers by age, per 1000 women



Census Bureau Report April 7, 2015

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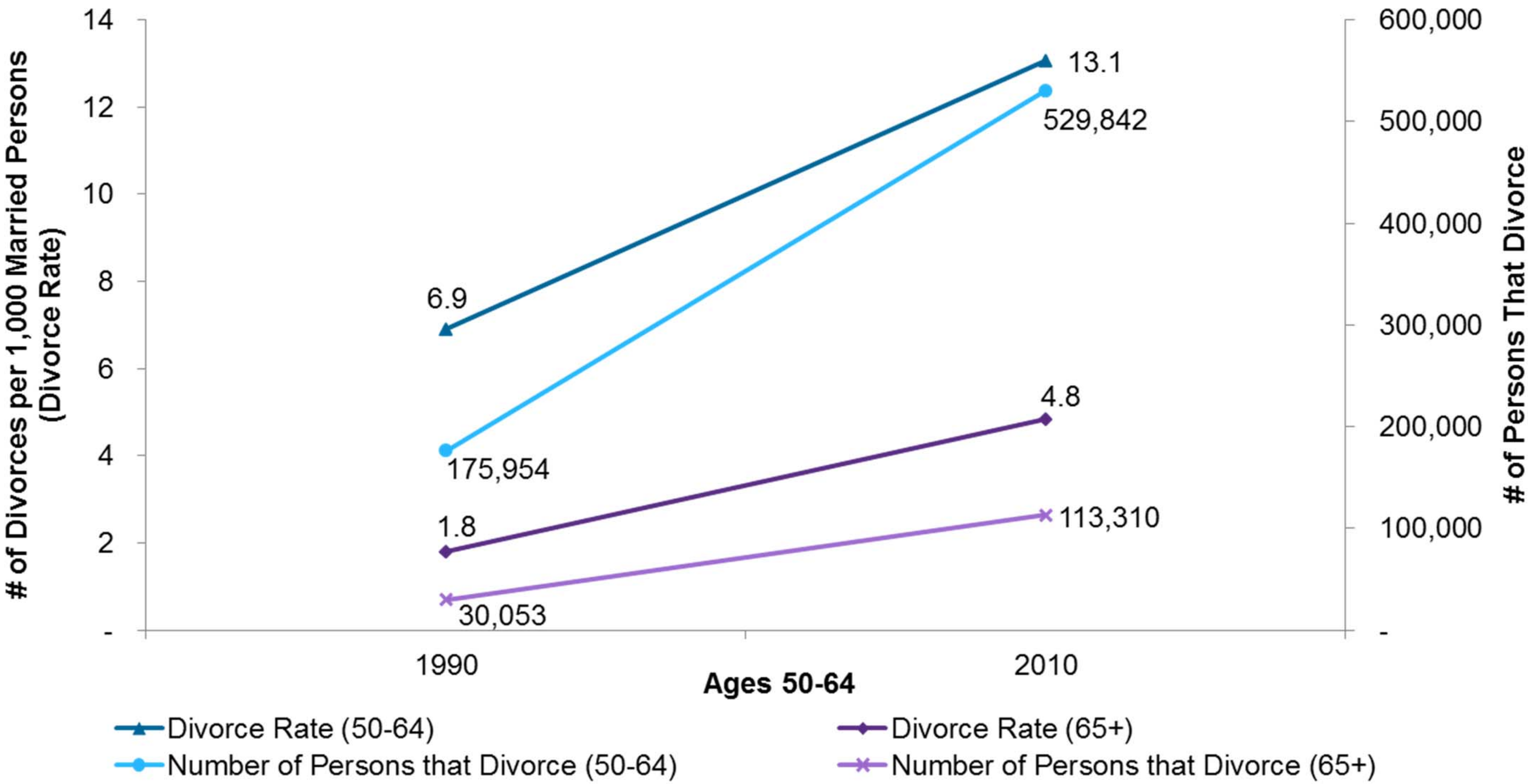
The gray divorce revolution

Divorce rates for older couples have doubled from 1990 – 2010



"The Gray Divorce Revolution: Rising Divorce among Middle-aged and Older Adults, 1990-2010" Susan Brown and I-Fen Lin; National Center for Family & Marriage Research

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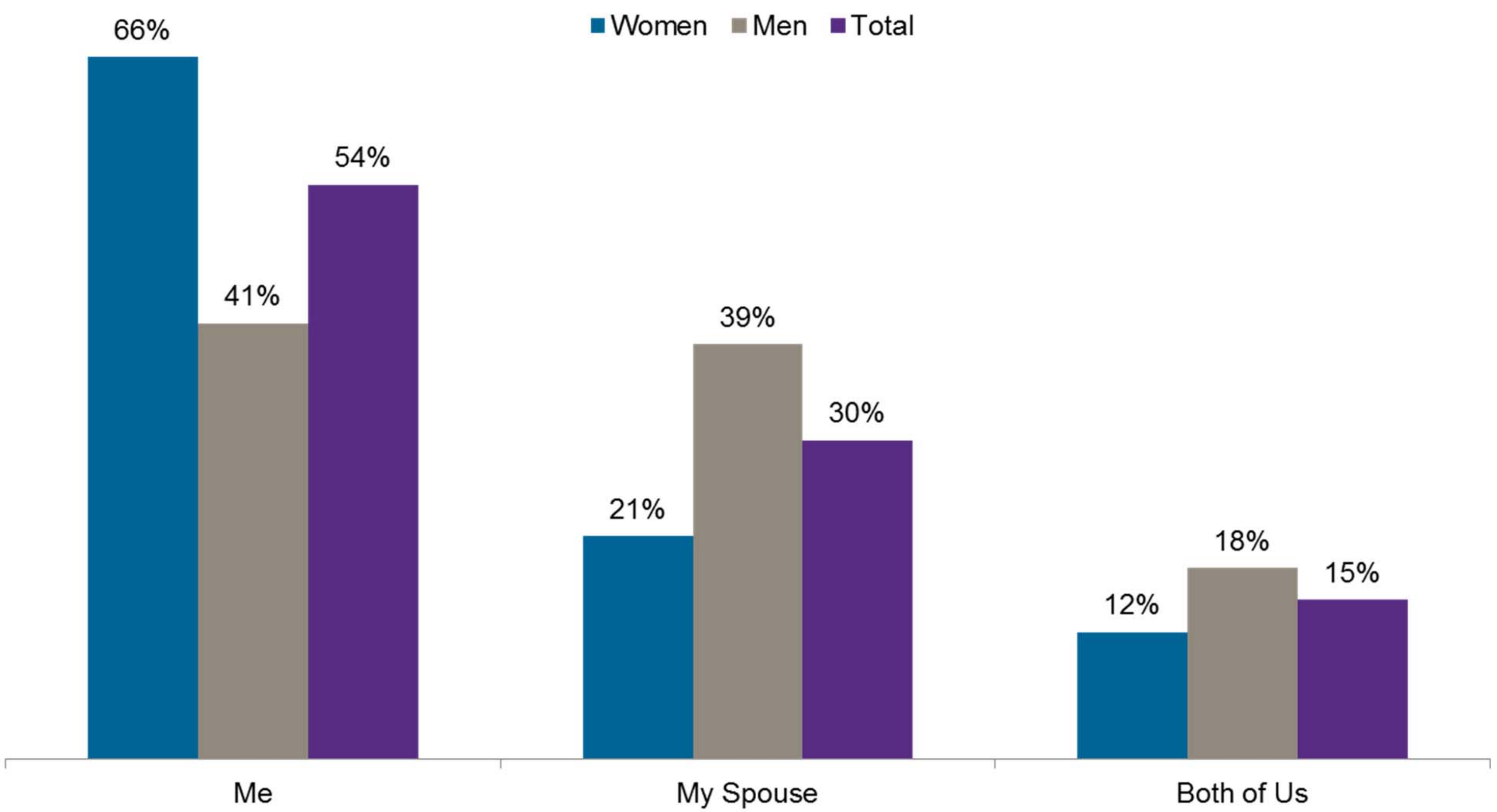
Women are initiating 2/3rds of divorces

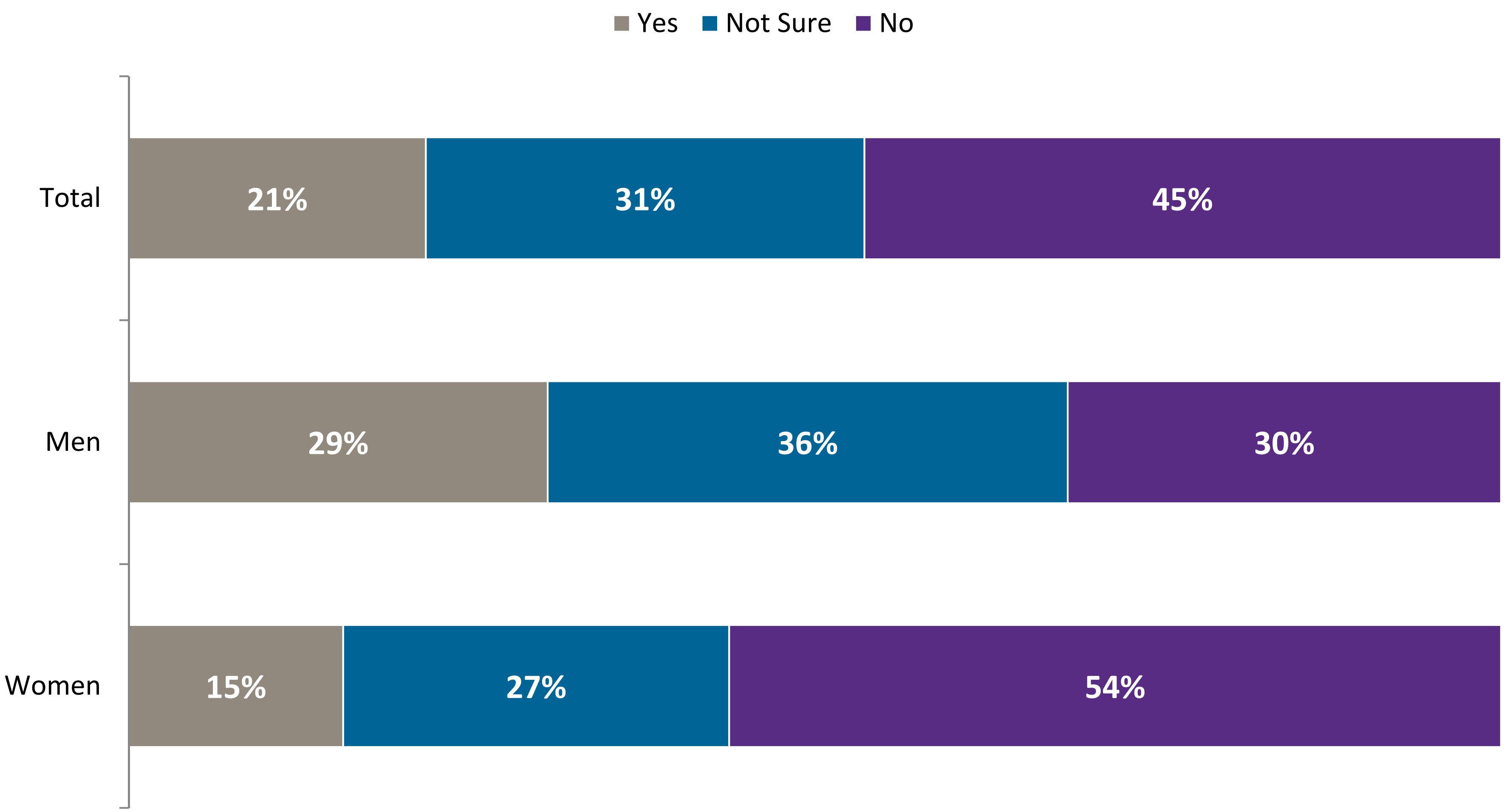
Who initiated the divorce?



Source: "The Divorce Experience: A Study of Divorce at Midlife and Beyond," AARP, 2004
Totals may not sum to 100% due to rounding and elections of "no response"

Women less likely to get remarried than men

Percent men and women who would get remarried after divorce



“Four in ten couples are saying ‘I do,’ again,” Pew Research Center, November 14, 2015.

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Agenda

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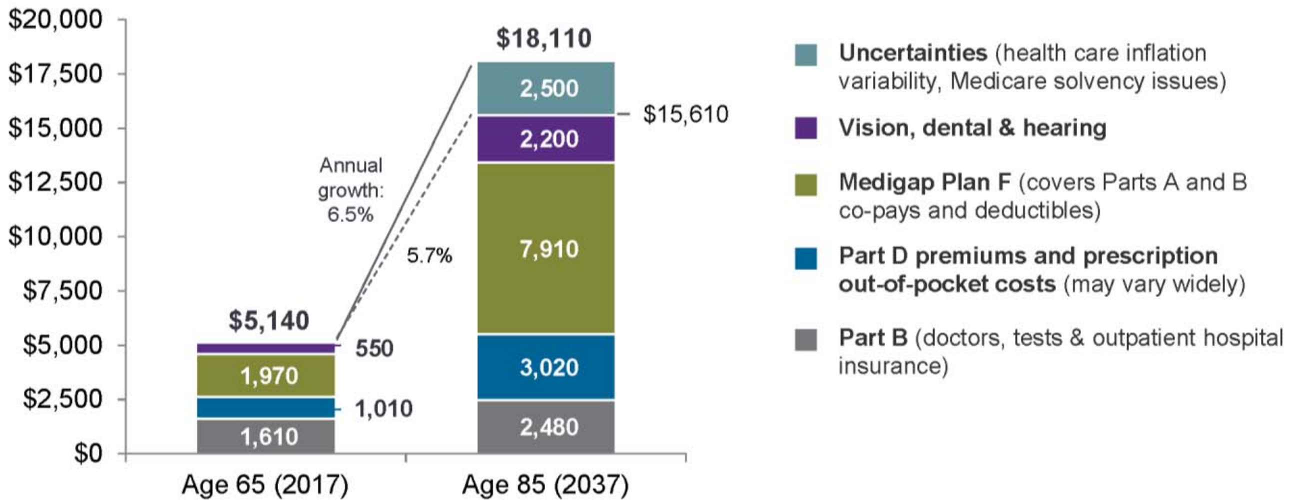
Rising annual health care costs in retirement

Traditional Medicare estimated median health care costs per person



A GROWING CONCERN

Given variation in health care cost inflation from year to year, it may be prudent to assume an annual health care inflation rate of 6.5%, which may require growth as well as current income from your portfolio in retirement.

Additional premium per person for Modified Adjusted Gross Incomes (MAGI) of:

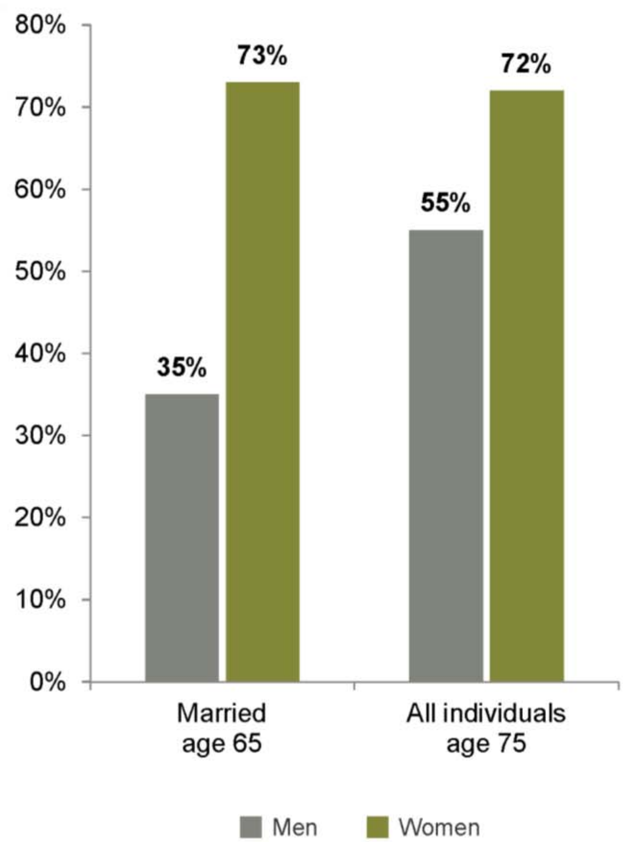
FILING SINGLE	MARRIED FILING JOINTLY	ADDITIONAL PREMIUM		TOTAL MEDIAN COSTS	
		2017	2018*	2017	2018*
$85,001 – $107,000	$170,001 – $214,000	$802	$722	$5,942	$5,798
107,001 – 133,500	214,001 – 267,000	802	1,820	5,942	6,896
133,501 – 160,000	267,001 – 320,000	2,017	2,928	7,157	8,004
160,001 – 214,000	320,001 – 428,000	3,234	4,018	8,374	9,094
>214,000	>428,000	4,450	4,018	9,590	9,094

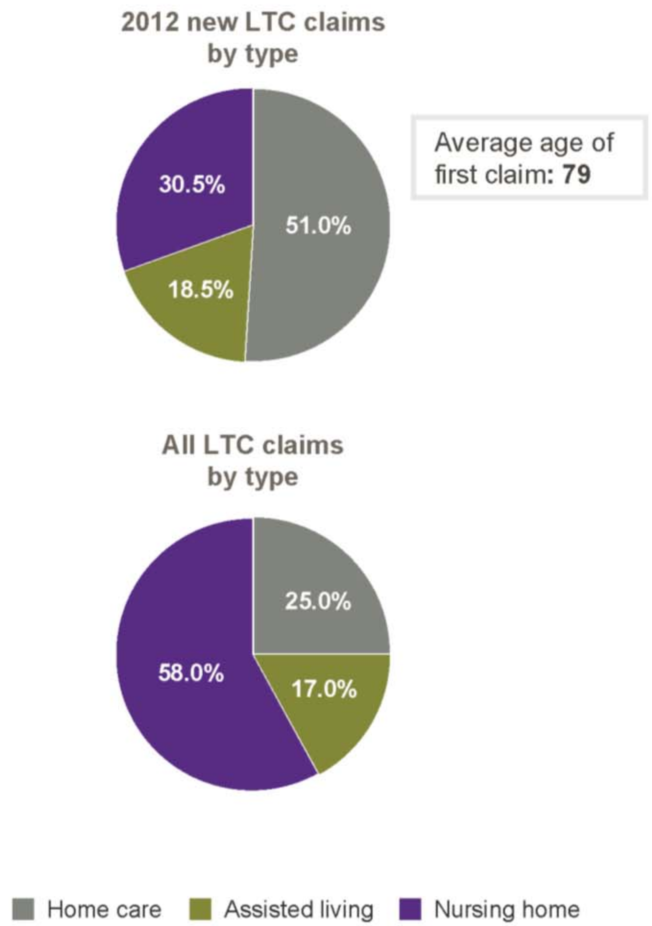
Notes: Age 85 estimated total median cost in 2017 is $7,195. Medigap premiums usually increase due to age, in addition to annual inflation, except for most policies in the following states: AR, CT, MA, ME, MN, NY, VT WA, AZ, FL, ID and MO. Analysis includes Medigap Plan F (the most comprehensive plan).

Parts B and D additional premiums are calculated from federal tax returns two years prior; individuals may file for an exception on form SSA-44 if they reduce or stop work. For the definition of MAGI, please see *Guide to Retirement* slide 36. *Additional premium includes a projection of 2018 costs for a 65-year-old beneficiary in 2018 ($5,076), plus the surcharge percentage specified in the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA / “doc fix bill”).

Source: Employee Benefit Research Institute (EBRI) data as of December 31, 2016; SelectQuote data as of January 16, 2017; Centers for Medicare and Medicaid Services website, January 25, 2017; 2016 Medicare Trustees Report, June 22, 2016; J.P. Morgan analysis.

Likelihood of needing long-term care (LTC)





LONG-TERM VISION

Many individuals will need long-term care, which often starts with home care and progresses to a nursing home.

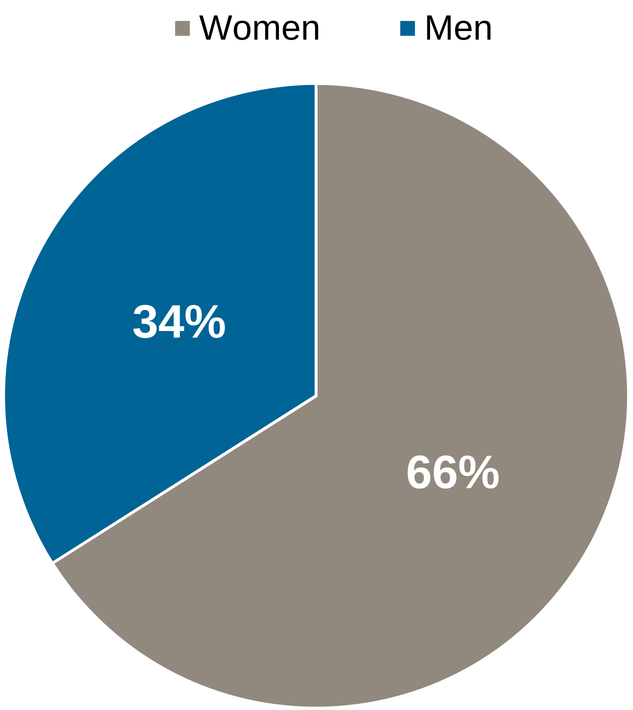
- There is a 1 in 3 chance that a long-term care need will last less than 6 months, but there is a 1 in 10 chance it will last 5 or more years.

Note: Annualized historical inflation for nursing home (private room): 3.5%; assisted living (one-bedroom): 2.2%; home health aide: 1.3%. 5- year CAGR represents the compound annual growth rate based on Genworth Cost of Care Survey. Genworth 2016 Cost of Care Survey, conducted by CareScout®, April 2016. © 2016 Genworth Financial, Inc. All rights reserved. Methodology document: https://www.genworth.com/dam/Americas/US/PDFs/Consumer/corporate/48590_050516.pdf

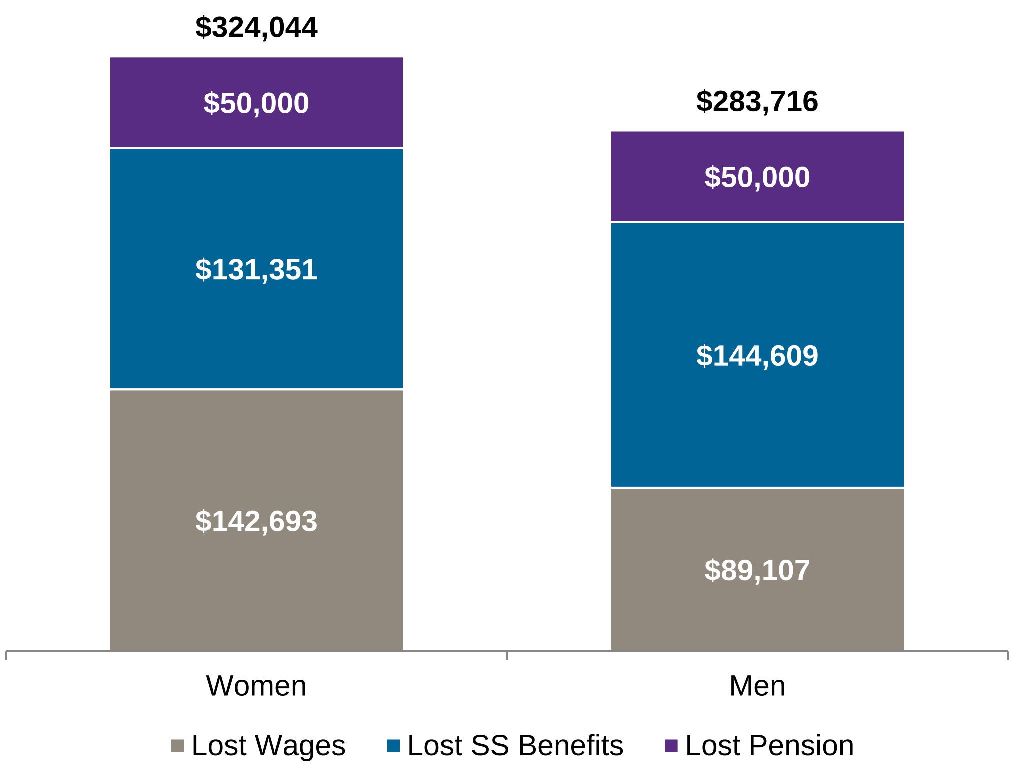
Source: American Association for Long-Term Care Insurance 2014 Sourcebook. www.aaltci.org.

The cost of care giving

Care giving population



Impact of parental care giving on lost wages and Social Security



Source: "Care giving in the U.S.," National Alliance for Care giving in collaboration with AARP, 2009
"The Metlife Study of Working Caregivers and Employer Health Care Costs," Metlife 2010

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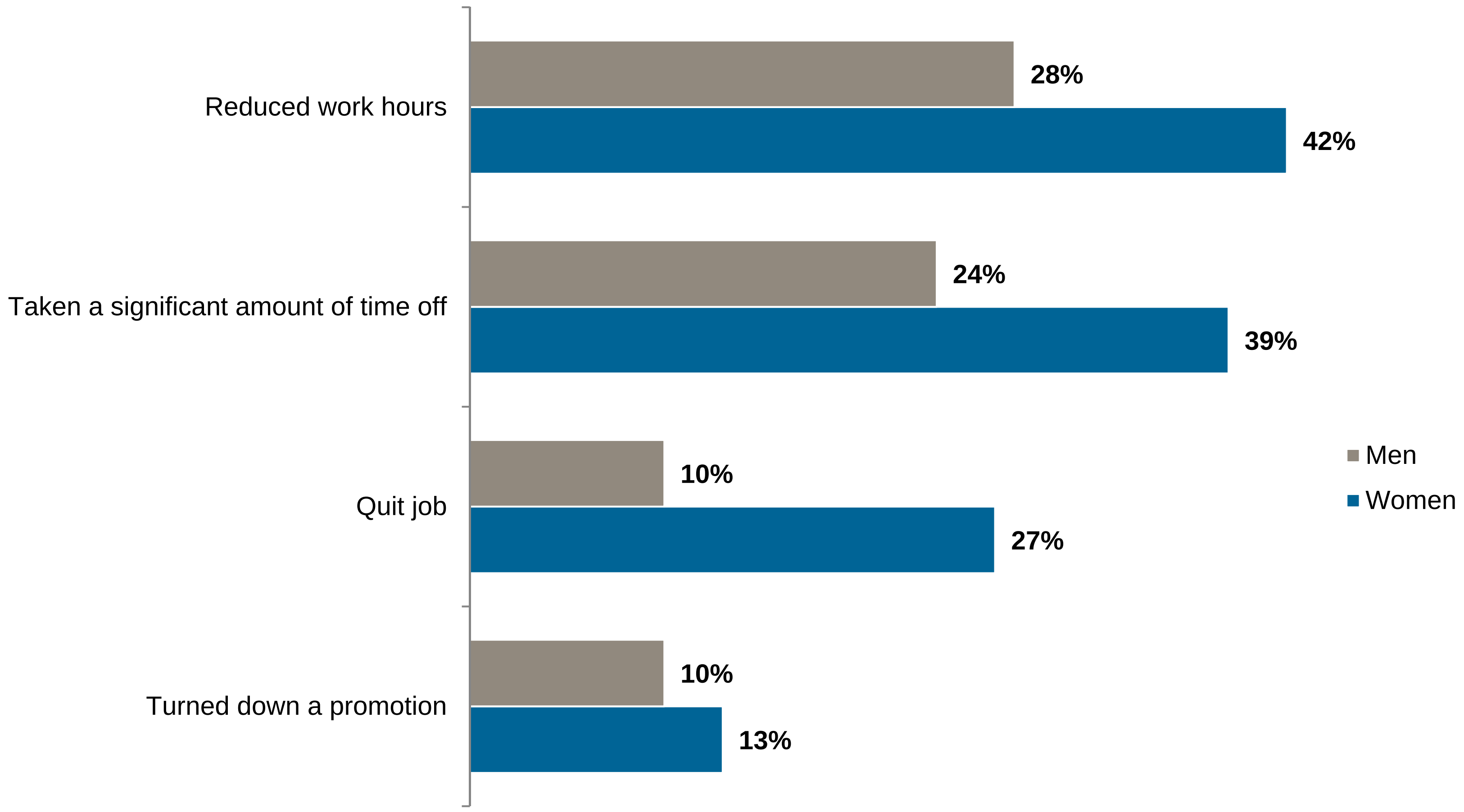
Care giving continues to be predominantly the role of women

Percent of men and women saying they have experienced the following in order to care for a child or family member



Source: "On Pay Gap, Millennial Women Near Parity – For Now," Pew Research Center, 2013

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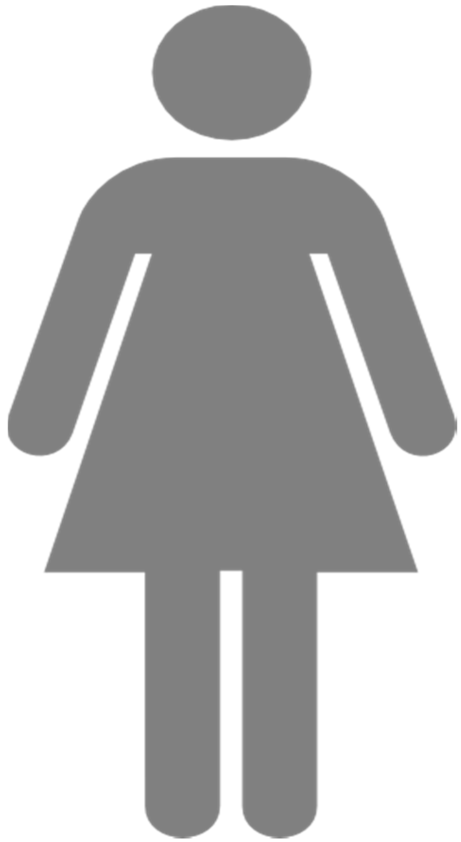
The “typical” caregiver

A typical caregiver is a 49-year old woman earning almost $55,000 and spends 20 hours p/week caring for a loved one.

49 year old woman caring for a 69-year old female with a long-term physical condition

Full-time worker with average household income of $54,700

The care recipient lives with the caregiver or very close by.



Usually spends about 20 hours a week or less providing care (unpaid)

Helps with about 2 activities of daily living (ADLs)* as well as running errands and managing finances for the care recipient

Usually married or living with a partner and in good health.

“Caregiving in the United States 2015;” AARP and National Alliance for Caregiving
*Activities of daily living (ADLs) are activities individuals tend to do every day without assistance and include: eating, bathing, dressing, toileting, continence and transferring (walking).

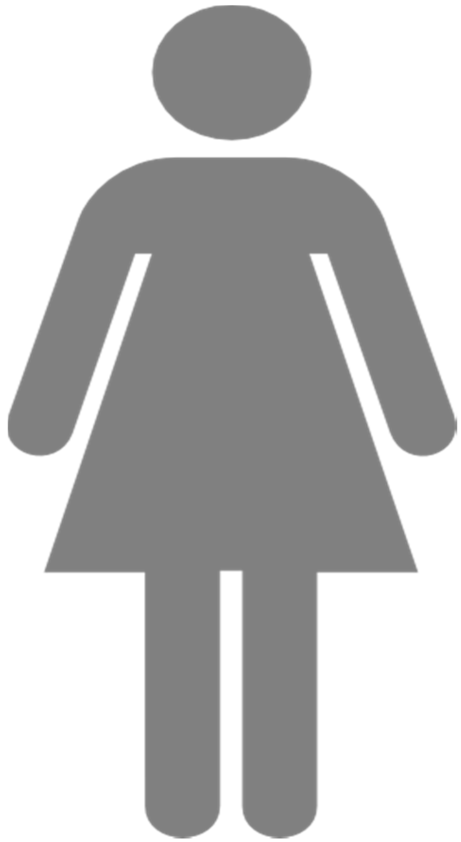
The “higher-hour” caregiver

A higher-hour caregiver is a 52-year old woman earning about $45,000 and spends over 60 hours week caring for a loved one.

52 year old woman caring for a 68-year old female with a long-term physical condition

May not work but if so, she works 33.5 hours a week; average household income of $45,700

The care recipient lives with the caregiver in her household.



Spends over 62 hours per week caring for loved one (unpaid)

Helps with about 2-3 activities of daily living (ADLs)* as well as running errands and managing finances, nursing tasks and advocating for the recipient

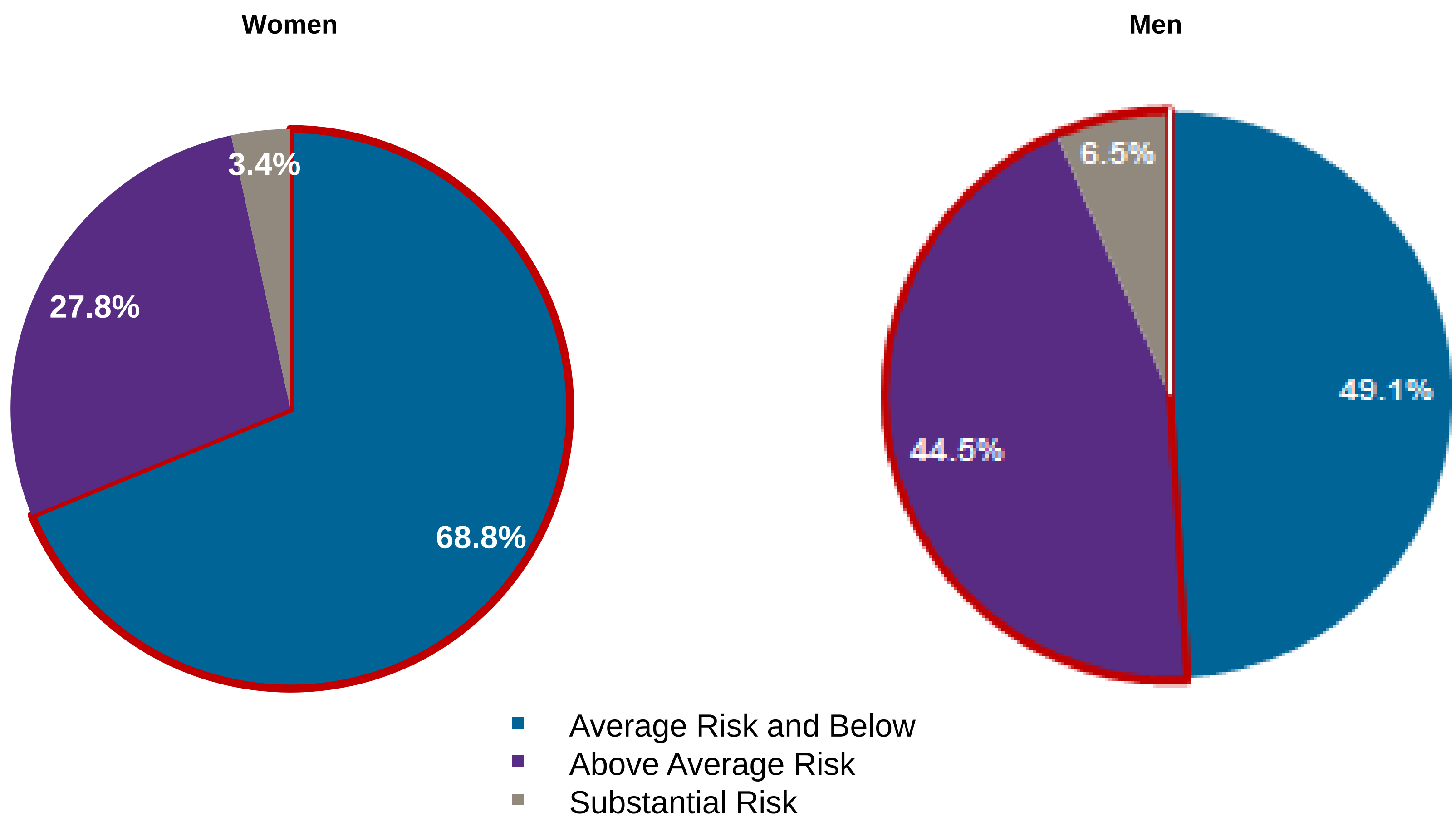
Likely to be married or living with a partner

“Caregiving in the United States 2015;” AARP and National Alliance for Caregiving
*Activities of daily living (ADLs) are activities individuals tend to do every day without assistance and include: eating, bathing, dressing, toileting, continence and transferring (walking).

Yet women are more conservative investors

Almost 69% of women take average or below risk, while over half of men take average or above average risk when investing.

Willingness to take investment risk



Source: "Gender Differences in Investment Behavior," Iowa State University and The Ohio State University, funded by the FINRA Investor Education Foundation, 2006
Totals may not sum to 100% due to rounding. Average risk and below contains Average risk, Below average risk, and No Risk responses.

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Key takeaways

The more things change….

- **Women are living longer & are more educated than ever**
- **Women make up almost half of the workforce**
- **Family is still important, but more women are pushing off marriage and family until later years, along with divorce!**

The more they stay the same…

- **Health care costs may be significant in retirement, and more women may require long term care**
- **Women are more likely to leave work to care for family**
- **Women tend to be more risk averse in investing and less comfortable with financial concepts**

Women require comprehensive financial advice that is tailored to their unique needs.

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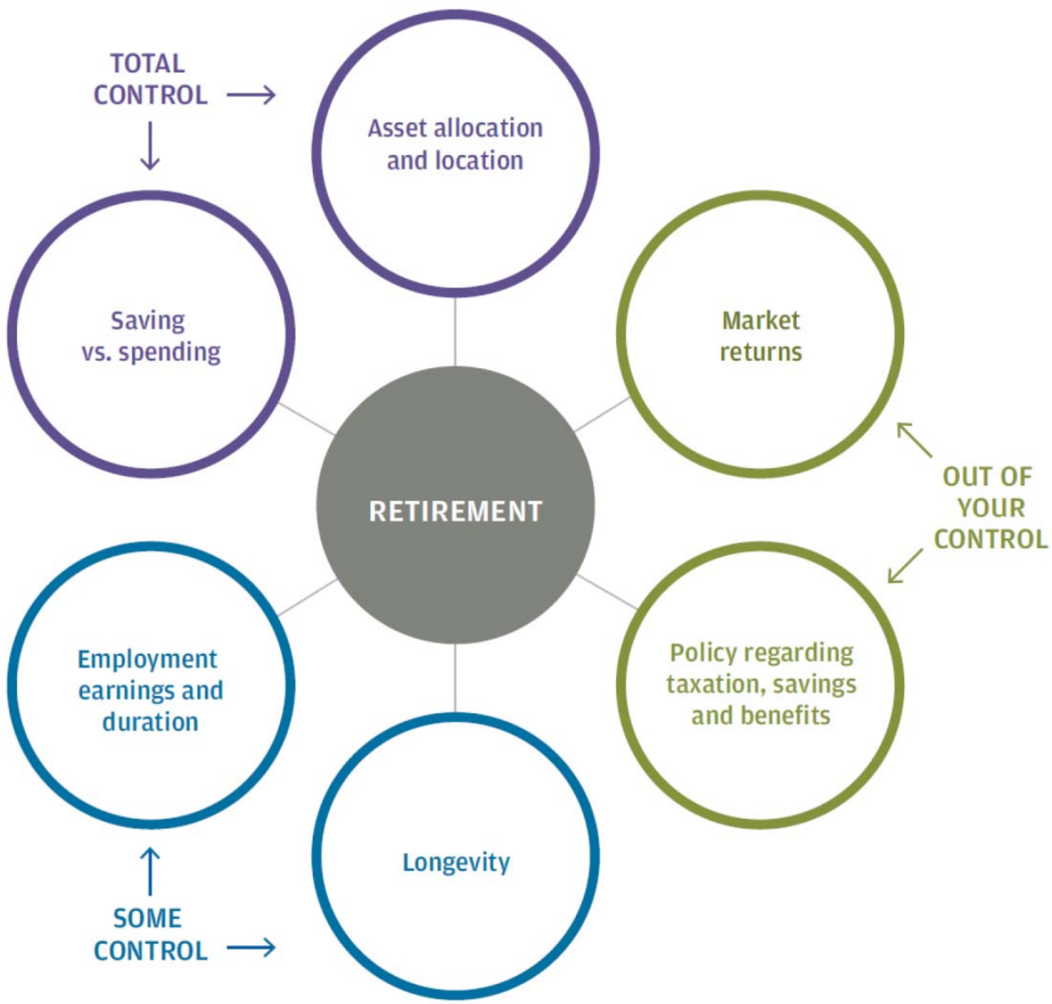
Agenda

1	Women are taking more control over their future	Competing priorities may hamper retirement planning
2	Women still face many unique challenges	Need for tailored and comprehensive financial solutions
3	Checklist for retirement preparedness	Build a plan, save early and invest with confidence

Retirement checklist

- ☑ **Focus on what you can control**
- ☑ **Expect great things in retirement—but plan for them**
- ☑ **Maximize your Social Security benefit**
- ☑ **Understand and participate in the market**
- ☑ **Ignore the headlines and stay invested**

The retirement equation



A SOUND RETIREMENTPLAN

Make the most of the things that you can control but be sure to evaluate factors that are somewhat or completely out of your control within your comprehensive retirement plan.

Source: The Importance of Being Earnest, J.P. Morgan Asset Management, 2013.

Lower forward-looking returns may require higher savings going forward
Values assume you would like to maintain an equivalent lifestyle in retirement

Current age	$50,000	$75,000	$100,000	$150,000	$200,000	$250,000	$300,000
	Checkpoint (x current household income)						
25	-	-	0.2	0.7	1.0	1.3	1.4
30	-	0.5	0.8	1.3	1.8	2.1	2.2
35	0.3	1.2	1.5	2.1	2.6	3.0	3.2
40	0.8	1.9	2.3	3.1	3.7	4.1	4.3
45	1.5	2.8	3.3	4.2	4.9	5.4	5.7
50	2.4	3.9	4.5	5.6	6.4	7.0	7.3
55	3.4	5.2	5.9	7.2	8.2	9.0	9.3
60	4.5	6.8	7.5	9.1	10.4	11.2	11.7
65	6.1	8.8	9.8	11.7	13.3	14.3	14.8

How to use:

- Household income is assumed to be gross income (before tax and savings).
- Go to the intersection of your current age and your closest current household income.
- Multiply your salary by the checkpoint shown. This is the amount you should have saved today, assuming you continue contributions of 10% going forward.
- Example: For a 40-year-old with a household income of $100,000: $100,000 x 2.3 = $230,000.

MODEL ASSUMPTIONS

Assumed annual gross savings rate: **10%***

Pre-retirement investment return: **6.0%**

Post-retirement investment return: **5.0%**

Inflation rate: **2.25%**

Retirement age –
- Primary earner: **65**
- Spouse: **62**

Years in retirement: **30**

*10% is approximately twice the U.S. average annual savings rate

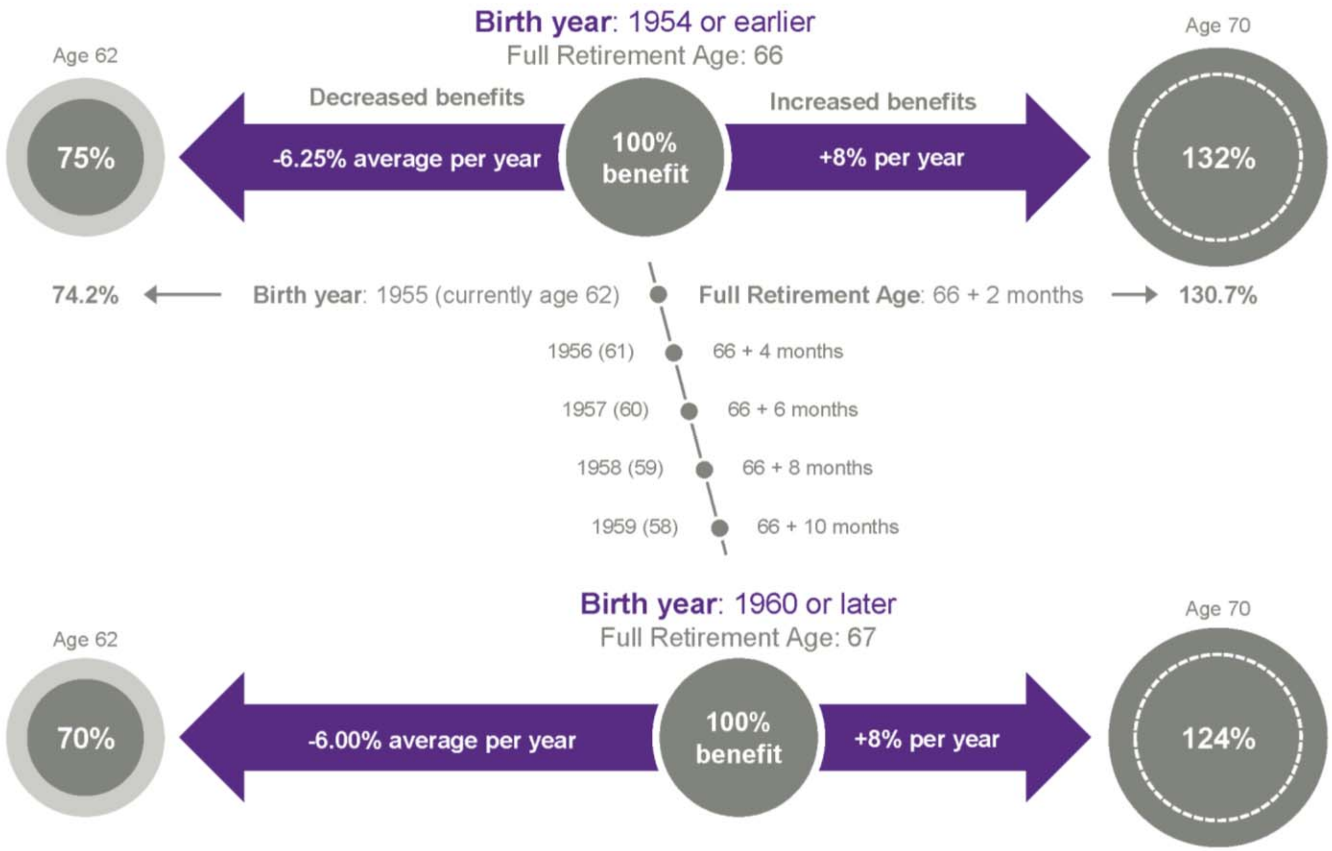
This chart is for illustrative purposes only and must not be relied upon to make investment decisions. J.P. Morgan's model is based on J.P. Morgan Asset Management's (JPMAM) proprietary long-term capital market assumptions (10-15 years) and an 80% confidence level. Household income replacement rates are derived from an inflation-adjusted analysis of: Consumer Expenditure Survey (BLS) data (2011-2014); Social Security benefits using modified scaled earnings in 2017 for a single wage earner at age 65 and a spousal benefit at age 62 reduced by Medicare Part B premiums. For more details, see slide 14 of the *Guide to Retirement.*

Consult with a financial advisor for a more personalized assessment. Allocations, assumptions and expected returns are not meant to represent JPMAM performance. Given the complex risk/reward tradeoffs involved, we advise clients to rely on judgment as well as quantitative optimization approaches in setting strategic allocations. References to future returns for either asset allocation strategies or asset classes are not promises or even estimates of actual returns a client portfolio may achieve.

Social Security timing tradeoffs

Benefits differ by birth year and claim age

Full Retirement Age = 100% benefit



Cost of living increase for benefits (2017)	0.3%	Average cost of living adjustment (1985-2017)	2.6%

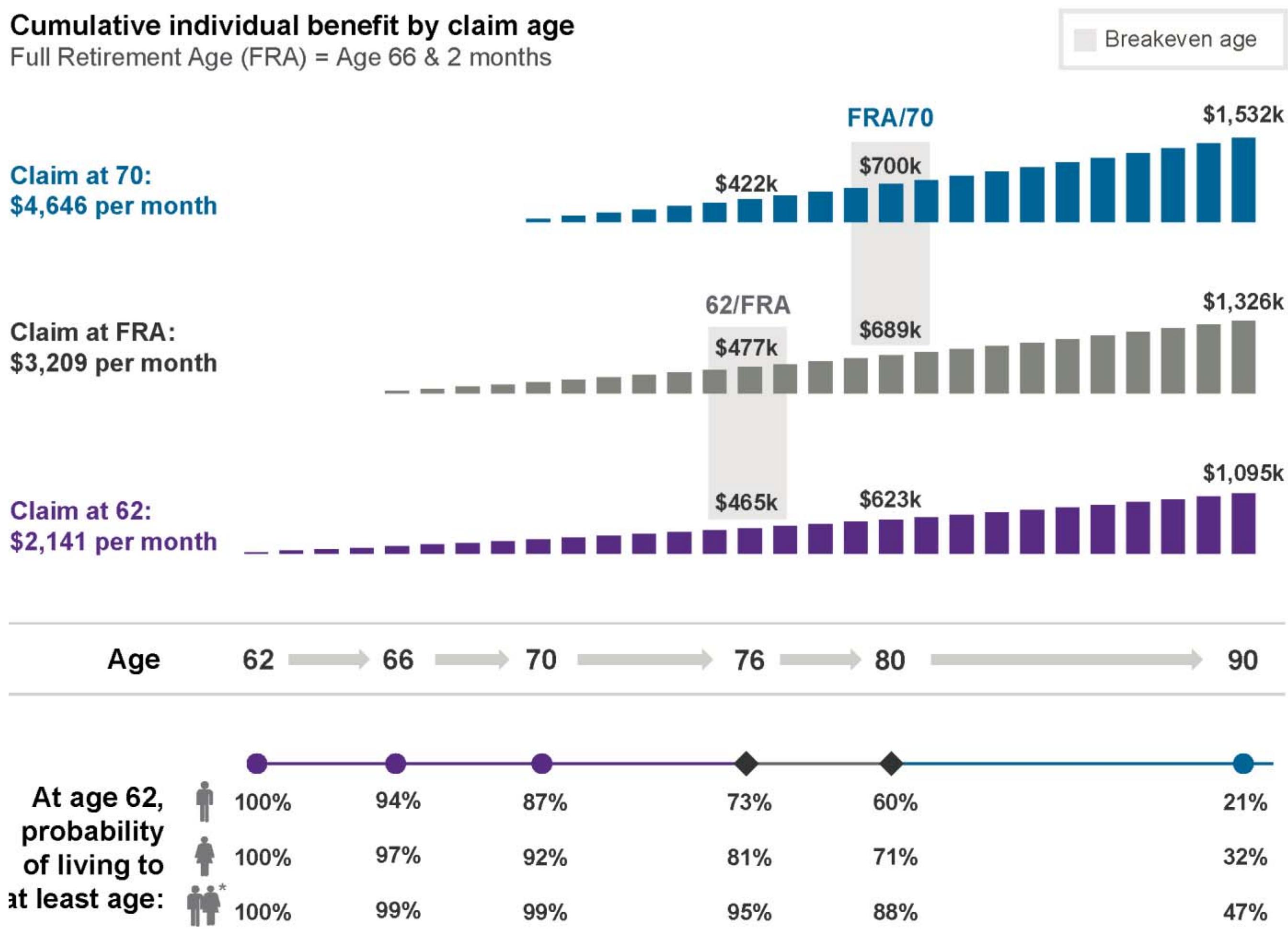
UNDERSTAND THE TRADEOFFS

Deciding when to claim benefits will have a permanent impact on the benefit you receive. Claiming before your full retirement age can significantly reduce your benefit, while delaying increases it.

In 2017, full retirement age begins to transition from 66 to 67 by adding two months each year for the next six years. This makes claiming early even more of a benefit reduction.

For illustrative purposes only. For those born in 1956 or earlier, there is a 7.3% compound growth rate for each year of waiting to take benefits; 7.4% for those born in 1957 or after. The Social Security Amendments Act of 1983 increased FRA from 65 to 67 over a 40-year period. The first phase of transition increased FRA from 65 to 66 for individuals turning 62 between 2000 and 2005. After an 11-year hiatus, the transition from 66 to 67 (2017-2022) will complete the move.

Source: Social Security Administration, J.P. Morgan Asset Management



PLANNING OPPORTUNITY

Delaying benefits means increased Social Security income later in life, but your portfolio may need to bridge the gap and provide income until delayed benefits are received.

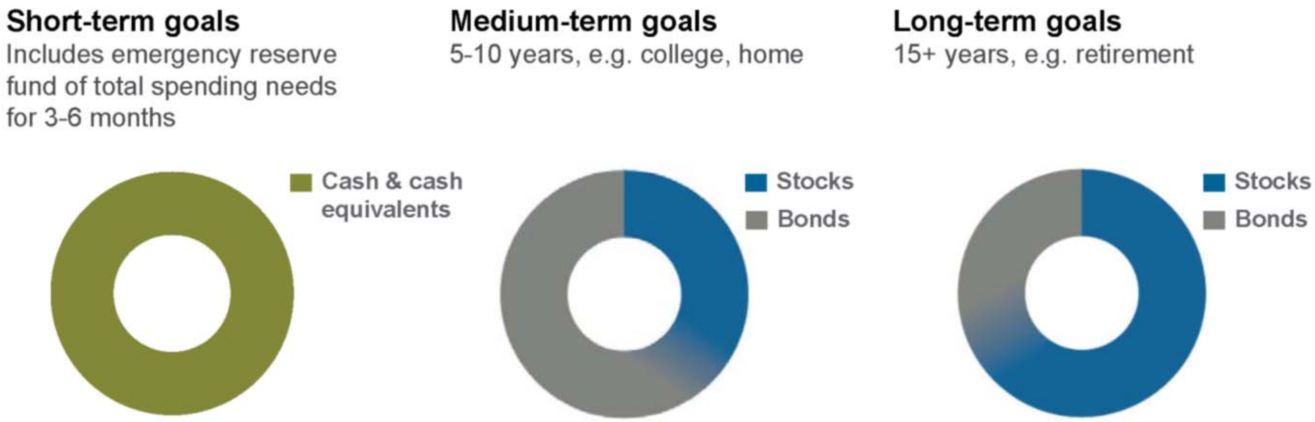
Source: Social Security Administration, J.P. Morgan Asset Management.

*Couple assumes at least one lives to the specified age or beyond. Breakeven assumes the same individual, born in 1955, earns the maximum wage base, retires at the end of age 61, and claims at 62 & 1 month, 66 & 2 months and 70, respectively. Benefits are assumed to increase each year based on the Social Security Administration 2016 Trustee's Report "intermediate" estimates (annual benefit increase of 2.9% in 2018 and 2.6% thereafter). Monthly amounts without the cost of living adjustments (not shown on the chart) are: $2,141 at age 62; $2,888 at age 66; and $3,773 at age 70. Exact breakeven ages are 76 & 2 months and 80 & 5 months.

Benefit requirements for married, divorced or widowed spouses

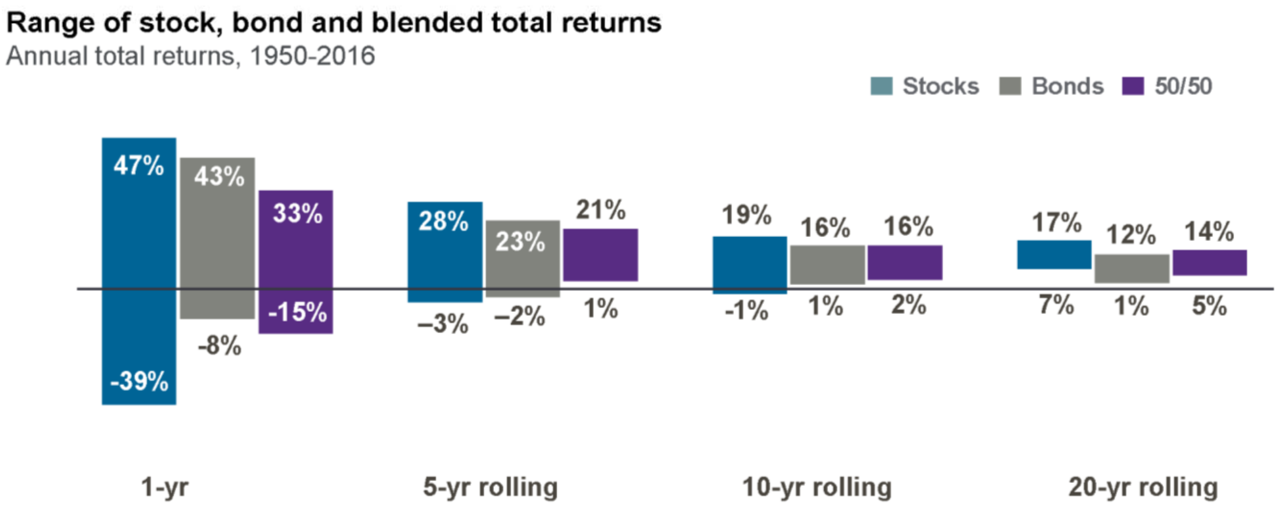
Spouse	Married to spouse for at least one year before filing Is age 62 and spouse has filed for benefits		May receive 50% of spouse's **full benefit**[1]
Ex-Spouse	Married to ex for minimum 10 years; divorced for 2 yrs.* Not currently married Eligible to file for benefits and is age 62 or older		May receive 50% of spouse's **full benefit**[1]
Widowed spouse	May file at age 60 or older; or at any time if caring for dependents under age 16	Married for 9 months Not remarried	May receive 100% of deceased spouse or deceased ex-spouse's **claimed benefit**[2]
Widow of ex-spouse	May file at age 60 or older; or at any time if caring for dependents under age 16	Married to ex for minimum 10 years Not currently married	May receive 100% of deceased spouse or deceased ex-spouse's **claimed benefit**[2]

[1]Spousal benefit may be reduced if spouse filing for spousal benefit is younger than FRA; Spouse receives larger of own benefit or spousal benefit
[2]Survivor benefit may be reduced if spouse filing for widow benefit is younger than FRA
*If divorced for less than 2 years, ex-spouse must be age 62 and have filed.



DIVIDE AND CONQUER

Aligning your investment strategy by goal can help you take different levels of risk based on varying time horizons and make sure you are saving enough to accomplish all of your goals—not just the ones that occur first.



Source (top chart): J.P. Morgan Asset Management.

Source (bottom chart): Barclays Capital, FactSet, Federal Reserve, Robert Shiller, Stategas/Ibbotson, J.P. Morgan Asset Management. Returns shown are based on calendar year returns from 1950 to 2016. Stocks represent the S&P 500 Shiller Composite and Bonds represent Stategas/Ibbotson for periods from 1950 to 2010 and Barclays Aggregate thereafter.

Note: Portfolio allocations are hypothetical and are for illustrative purposes only. They were created to illustrate different risk/return profiles and are not meant to represent actual asset allocation.

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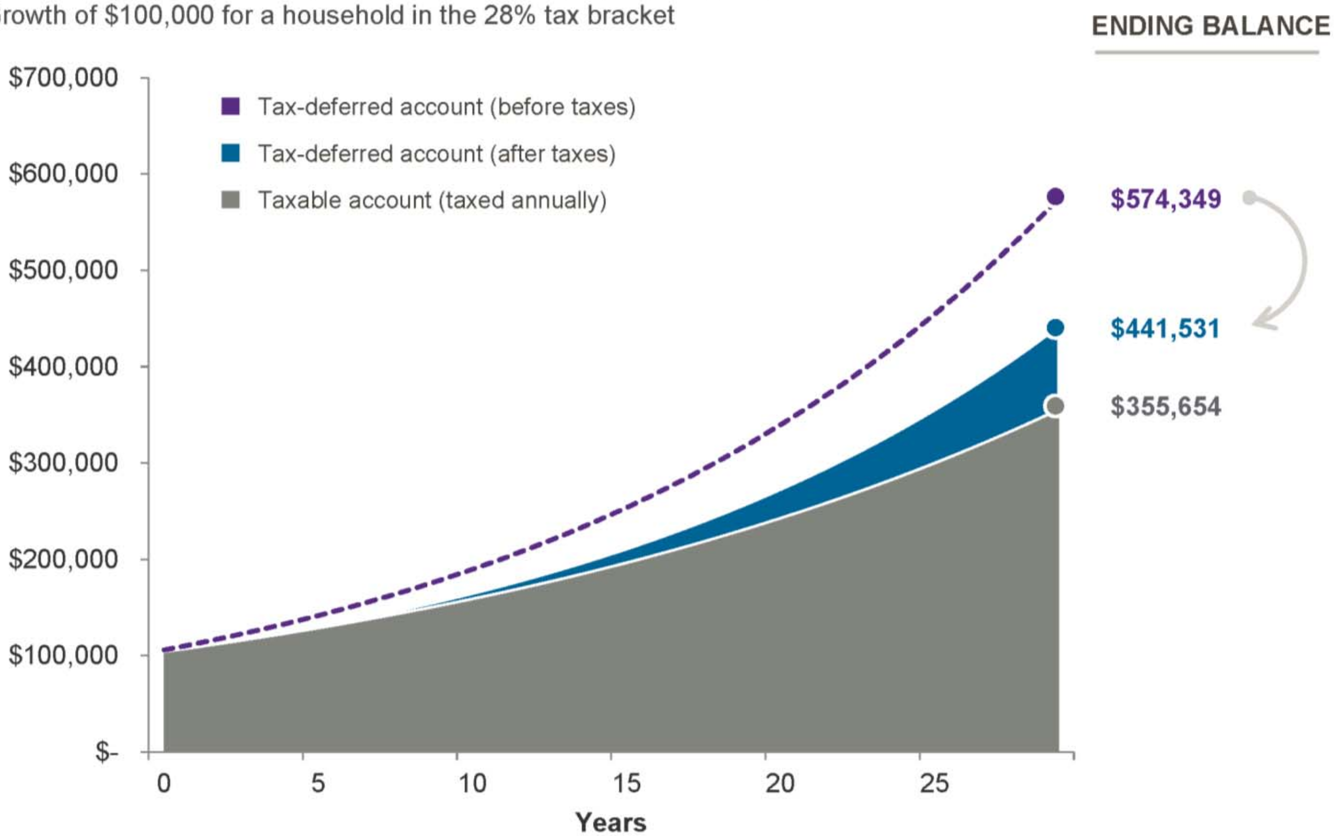
The power of tax-deferred compounding

Taxable vs. tax-deferred investing over a 30-year timeframe

Growth of $100,000 for a household in the 28% tax bracket



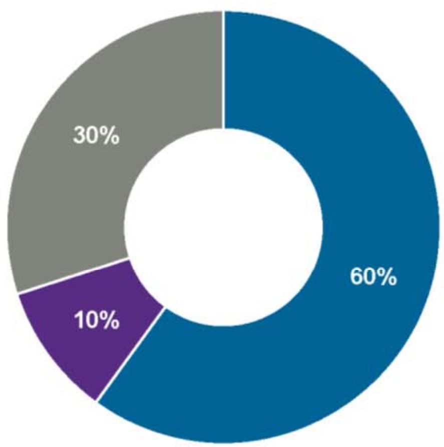
TAXES CAN WAIT

Sheltering investment growth in tax-deferred accounts over the long-term may result in more wealth for retirement. The value of tax deferral in this example is equivalent to nearly 1% higher annual return over the time period.

Source: JP Morgan Asset Management. Chart shows after-tax $100,000 initial account value in the beginning of year one for a tax-deferred account and a taxable account. Assumes a 6.0% annual return for both accounts. Investment returns in taxable account are taxed annually at 28% (capital gains and qualified dividends are not considered in this analysis). Tax-deferred account balance is taken as a lump sum after year 30 and taxed at 28% federal tax rate. If tax-deferred account is taken as lump sum at other tax rates, after-tax balance will be $503,197 (15%), $455,762 (25%), $417,814 (33%), $386,507 (39.6%). This hypothetical illustration is not indicative of any specific investment and does not reflect the impact of fees or expenses. This chart is for illustrative purposes only. Past performance is no guarantee for future results.

Maximizing the power of diversification 2001–2016

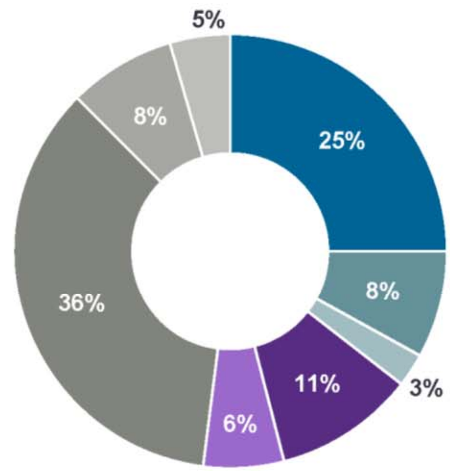
Less diversified portfolio



Return: 6.4%
Volatility: 12.0%

- S&P 500
- EAFE Equity
- Barclays Aggregate

More diversified portfolio



Return: 7.2%
Volatility: 11.1%

- S&P 500
- Russell 2000
- REIT
- EAFE Equity
- Emerging Market Equity
- Barclays Aggregate
- US High Yield
- Emerging Market Debt

MIX IT UP WISELY

Diversification may provide better returns with less risk.

Indexes and weights of the less diversified portfolio are as follows: U.S. stocks: 60.00% S&P 500; International stocks: 10.00% MSCI EAFE; U.S. bonds: 30.00% Barclays Capital Aggregate. More diversified portfolio is as follows: U.S. stocks: 25.00% S&P 500, 8.00% Russell 2000, 2.50% NAREIT Equity REIT Index; International stocks: 10.50% MSCI EAFE, 6.00% MSCI Emerging Markets; U.S. bonds: 35.50% Barclays Capital Aggregate, 8.00% Barclays U.S. High Yield; International bonds: 4.50% J.P. Morgan EMBI Global Diversified. Source: Bloomberg, J.P. Morgan Asset Management.

Charts are shown for illustrative purposes only. Percentages may not sum due to rounding. Past returns are no guarantee of future results. Diversification does not guarantee investment returns and does not eliminate risk of loss. Data as of December 30, 2016.

10-year asset class returns

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2007-2016 Ann.	2007-2016 Vol.
EM Equity 39.8%	Fixed Income 5.2%	EM Equtiy 79.0%	REITs 27.9%	REITs 8.3%	REITs 19.7%	Small Cap 38.8%	REITs 28.0%	REITs 2.8%	Small Cap 21.3%	High Yield 7.3%	REITs 25.2%
Comdty 16.2%	Cash 1.8%	High Yield 59.4%	Small Cap 26.9%	Fixed Income 7.8%	High Yield 19.6%	Large Cap 32.4%	Large Cap 13.7%	Large Cap 1.4%	High Yield 14.3%	Small Cap 7.1%	EM Equity 24.5%
DM Equity 11.6%	Asset Alloc. -25.4%	DM Equity 32.5%	EM Equity 19.2%	High Yield 3.1%	EM Equity 18.6%	DM Equity 23.3%	Fixed Income 6.0%	Fixed Income 0.5%	Large Cap 12.0%	Large Cap 6.9%	Comdty. 20.4%
Asset Alloc. 7.1%	High Yield -26.9%	REITs 28.0%	Comdty. 16.8%	Large Cap 2.1%	DM Equity 17.9%	Asset Alloc. 14.9%	Asset Alloc. 5.2%	Cash 0.0%	Comdty. 11.8%	REITs 5.1%	Small Cap 20.3%
Fixed Income 7.0%	Small Cap -33.8%	Small Cap 27.2%	Large Cap 15.1%	Cash 0.1%	Small Cap 16.3%	High Yield 7.3%	Small Cap 4.9%	DM Equity -0.4%	EM Equity 11.6%	Asset Alloc. 4.9%	DM Equity 19.7%
Large Cap 5.5%	Comdty. -35.6%	Large Cap 26.5%	High Yield 14.8%	Asset Alloc. -0.7%	Large Cap 16.0%	REITs 2.9%	Cash 0.0%	Asset Alloc. -2.0%	REITs 8.6%	Fixed Income 4.3%	Large Cap 16.2%
Cash 4.8%	Large Cap -37.0%	Asset Alloc. 25.0%	Asset Alloc. 13.3%	Small Cap -4.2%	Asset Alloc. 12.2%	Cash 0.0%	High Yield 0.0%	High Yield -2.7%	Asset Alloc. 8.3%	EM Equity 2.2%	High Yield 12.9%
High Yield 3.2%	REITs -37.7%	Comdty. 18.9%	DM Equity 8.2%	DM Equity -11.7%	Fixed Income 4.2%	Fixed Income -2.0%	EM Equity -1.8%	Small Cap -4.4%	Fixed Income 2.6%	DM Equity 1.2%	Asset Alloc. 11.7%
Small Cap -1.6%	DM Equity -43.1%	Fixed Income 5.9%	Fixed Income 6.5%	Comdty. -13.3%	Cash 0.1%	EM Equity -2.3%	DM Equity -4.5%	EM Equity -14.6%	DM Equity 1.5%	Cash 0.7%	Fixed Income 3.4%
REITs -15.7%	EM Equity -53.2%	Cash 0.1%	Cash 0.1%	EM Equity -18.2%	Comdty. -1.1%	Comdty. -9.5%	Comdty. -17.0%	Comdty. -24.7%	Cash 0.3%	Comdty. -5.6%	Cash 0.8%

Source: Barclays, Bloomberg, FactSet, MSCI, NAREIT, Russell, Standard & Poor's, J.P. Morgan Asset Management.

Large cap: S&P 500, Small cap: Russell 2000, EM Equity: MSCI EME, DM Equity: MSCI EAFE, Comdty: Bloomberg Commodity Index, High Yield: Barclays Global HY Index, Fixed Income: Barclays Aggregate, REITs: NAREIT Equity REIT Index. The "Asset Allocation" portfolio assumes the following weights: 25% in the S&P 500, 10% in the Russell 2000, 15% in the MSCI EAFE, 5% in the MSCI EME, 25% in the Barclays Aggregate, 5% in the Barclays 1-3m Treasury, 5% in the Barclays Global High Yield Index, 5% in the Bloomberg Commodity Index and 5% in the NAREIT Equity REIT Index. Balanced portfolio assumes annual rebalancing. Annualized (Ann.) return and volatility (Vol.) represents period of 12/31/06 – 12/31/16. Please see disclosure pages at end for index definitions. All data represents total return for stated period. Past performance is not indicative of future returns.

MAINTAIN A DIVERSIFIED APPROACH

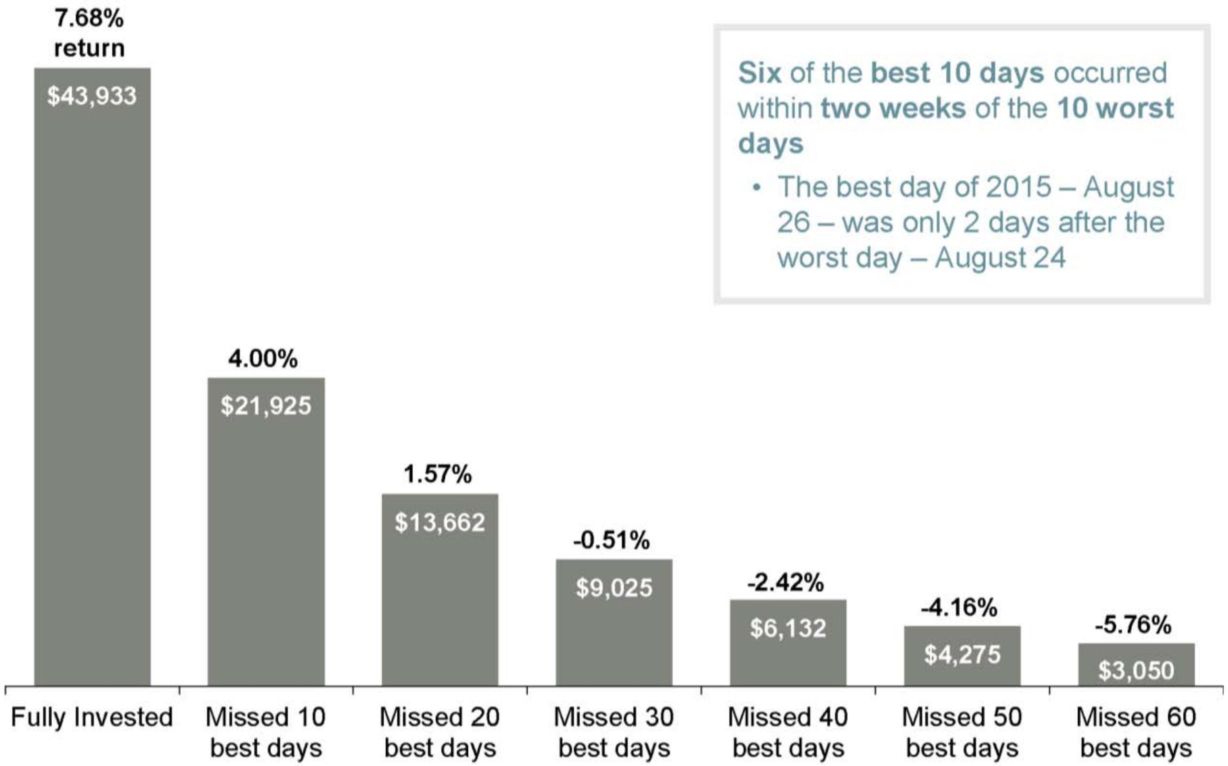
The best and worst performing asset classes vary greatly year to year. Failure to rebalance the Asset Allocation portfolio over this time period would have resulted in an average annual return of 4.6%— 0.3% lower than the annually rebalanced one. Consider a balanced investment approach with a clearly defined rebalancing policy.

Investing

Impact of being out of the market

Returns of the S&P 500

Performance of a $10,000 investment between January 1, 1997 and December 30, 2016



Six of the **best 10 days** occurred within **two weeks** of the **10 worst days**

- The best day of 2015 – August 26 – was only 2 days after the worst day – August 24

PLAN TO STAY INVESTED

Trying to time the market is extremely difficult to do. Market lows often result in emotional decision making. Investing for the long term while managing volatility can result in a better retirement outcome.

On August 24, 2015 the Dow Jones Industrial Average closed down 588 pts. On August 26, 2015 it closed up 609 pts.

This chart is for illustrative purposes only and does not represent the performance of any investment or group of investments.

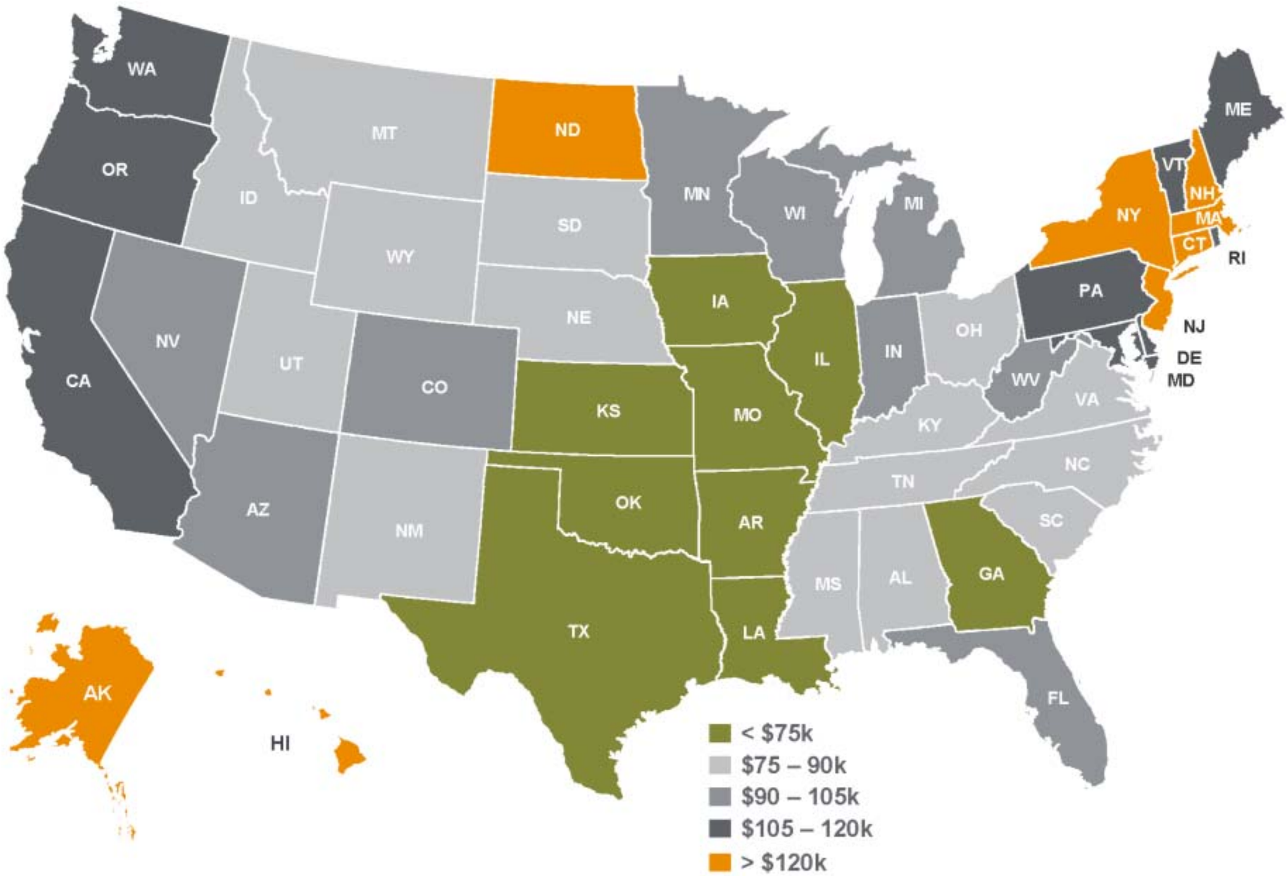
Source: J.P. Morgan Asset Management analysis using data from Bloomberg. Returns are based on the S&P 500 Total Return Index, an unmanaged, capitalization-weighted index that measures the performance of 500 large capitalization domestic stocks representing all major industries. Past performance is not indicative of future returns. An individual cannot invest directly in an index. Data as of December 30, 2016.

J.P.Morgan Asset Management

Key takeaways

- **Women have been taking control over many crucial aspects of life: marriage, family, education and work.**
- **Yet women face unique challenges in preparing for retirement: longevity, time off work to raise and care for family and the gender pay gap, to name a few.**
- **Focus on objectives you can control: maximizing saving, managing spending and investing in the market**
- **Understand the need for health care, LTC and the importance of having a plan**
- **As family planning/formation is delayed or changed, women should be sure to make retirement planning a priority**

Questions?



THE COST OF CARE

There can be significant variations in cost depending on where care is utilized – depending on state, city and even the facility.

Spending

Methodology document: https://www.genworth.com/dam/Americas/US/PDFs/Consumer/corporate/48590_050516.pdf

Source: Genworth 2016 Cost of Care Survey, conducted by CareScout®, April 2016. Annual median costs based on 365 days of care.

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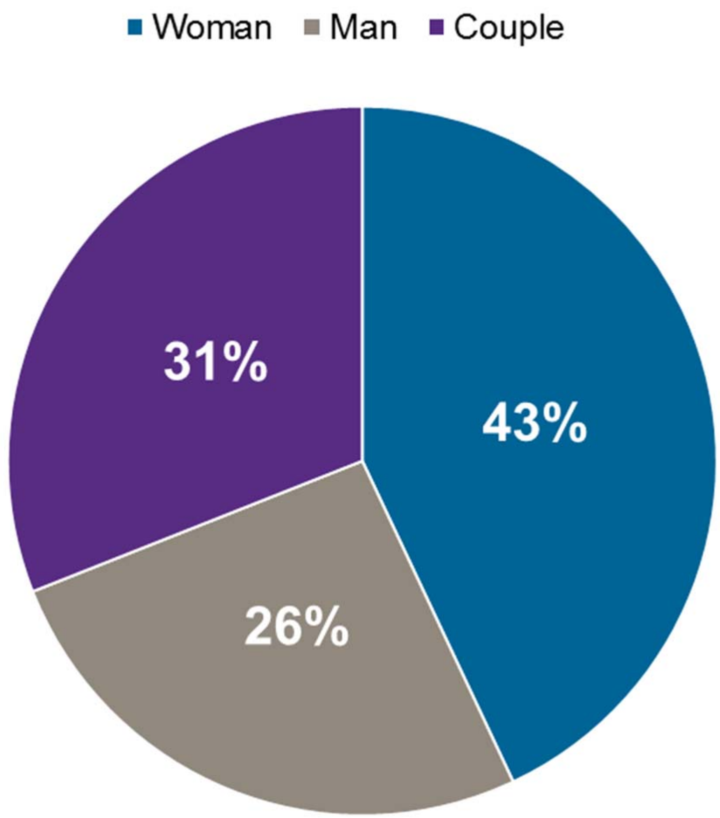
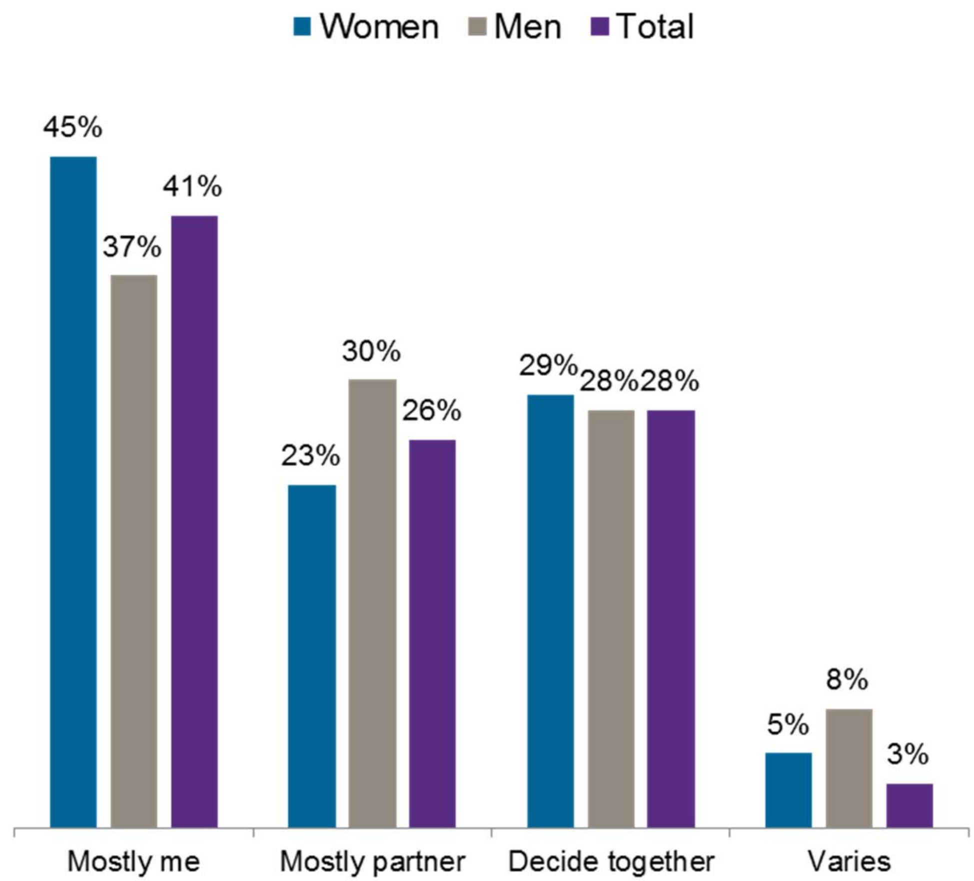
Who makes the household decisions

Who makes the decisions at home?



Who manages the household finances?



Source: “Women Call the Shots at Home; Public Mixed on Gender Roles in Jobs,” Pew Research, 2008

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Possible Social Security benefits of divorced ex-spouse

Divorced Spouse

Benefits may be limited if not age 62 by Dec. 31, 2015

May receive only or largest of all benefits:

- Their own worker benefit
- Spousal benefit based on ex-spouse's work record

Based on their worker benefit being…

1. Less than spousal benefit

Their own worker benefit

+

Difference between own benefit and spousal benefit

2. Greater than spousal benefit

Their own worker benefit

3. No benefit from work record

Spousal benefit

Source: Social Security Administration
Benefits may be reduced if claimed prior to full retirement age.
Claimant may file for spousal benefit without ex-spouse filing as long as they have been divorced for at least 2 years

Possible Social Security benefits of widowed spouse or (ex-spouse)

Widowed Spouse

May receive only, either, or combination of:

- Their own worker benefit
- Survivor benefit based on spouse's claimed benefit

Based on their worker benefit being…

1. Less than survivor benefit

Their own worker benefit
+
Difference between own benefit and survivor benefit

2. Greater than survivor benefit

Their own worker benefit

3. No benefit from work record

Survivor benefit

Source: Social Security Administration
Benefits may be reduced if claimed prior to full retirement age.

Indexes are unmanaged and an individual cannot invest directly in an index. Index returns do not include fees or expenses.

The **S&P 500 Index** is widely regarded as the best single gauge of the U.S. equities market.

This world-renowned index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. Although the S&P 500 Index focuses on the large cap segment of the market, with approximately 75% coverage of U.S. equities, it is also an ideal proxy for the total market. An investor cannot invest directly in an index.

The **Russell 2000 Index®** measures the performance of the 2,000 smallest companies in the Russell 3000 Index.

The **MSCI EAFE (Europe, Australia, Far East) Net Index** is recognized as the pre-eminent benchmark in the United States to measure international equity performance. It comprises 21 MSCI country indexes, representing the developed markets outside of North America.

The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. *As* of June 2007, the MSCI Emerging Markets Index consisted of the following 25 emerging market country indices: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, Korea, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand and Turkey.

The **FTSE NAREIT EQUITY REIT Index** is designed to provide the most comprehensive assessment of overall industry performance and includes all tax-qualified real estate investment trusts (REITs) that are listed on the NYSE, the American Stock Exchange or the NASDAQ National Market List.

The **Barclays Capital U.S. Aggregate Index** represents securities that are SEC-registered, taxable and dollar denominated. The index covers the U.S. investment-grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities and asset-backed securities. These major sectors are subdivided into more specific indexes that are calculated and reported on a regular basis.

The **Barclays Global High Yield Index** is a multi-currency flagship measure of the global high yield debt market. The index represents the union of the US High Yield, the Pan-European High Yield and Emerging Markets (EM) Hard Currency High Yield Indices. The high yield and emerging markets sub-components are mutually exclusive. Until January 1, 2011, the index also included CMBS high yield securities.

The **Barclays US High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.

The J.P. Morgan Emerging Markets Bond Index Global Diversified (EMBI Global Diversified) tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds. The index limits the exposure of some of the larger countries.

The **Bloomberg Commodity Index** is composed of futures contracts on physical commodities and represents 22 separate commodities traded on U.S. exchanges, with the exception of aluminum, nickel and zinc.

Unless otherwise indicated, all illustrations are shown in U.S. dollars.

Past performance is no guarantee of comparable future results.

Diversification does not guarantee investment returns and does not eliminate the risk of loss.

Bonds are subject to interest rate risks. Bond prices generally fall when interest rates rise.

The price of **equity** securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries, or the securities market as a whole, such as changes in economic or political conditions. Equity securities are subject to "stock market risk," meaning that stock prices in general may decline over short or extended periods of time.

Small capitalization investing typically carries more risk than investing in well-established "blue-chip" companies since smaller companies generally have a higher risk of failure. Historically, smaller companies' stock has experienced a greater degree of market volatility than the average stock.

Mid capitalization investing typically carries more risk than investing in well-established "blue-chip" companies. Historically, mid cap companies' stock has experienced a greater degree of market volatility than the average stock.

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Asset Management

Real estate investments may be subject to a higher degree of market risk because of concentration in a specific industry, sector or geographical sector. Real estate investments may be subject to risks including, but not limited to, declines in the value of real estate, risks related to general and economic conditions, changes in the value of the underlying property owned by the trust and defaults by borrower.

International investing involves a greater degree of risk and increased volatility. Changes in currency exchange rates and differences in accounting and taxation policies outside the U.S. can raise or lower returns. Also, some overseas markets may not be as politically and economically stable as the United States and other nations.

Investments in **emerging markets** can be more volatile. As mentioned above, the normal risks of investing in foreign countries are heightened when investing in emerging markets. In addition, the small size of securities markets and the low trading volume may lead to a lack of liquidity, which leads to increased volatility. Also, emerging markets may not provide adequate legal protection for private or foreign investment or private property.

Investments in **commodities** may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Use of leveraged commodity-linked derivatives creates an opportunity for increased return but, at the same time, creates the possibility for greater loss.

Investing in **alternative assets** involves higher risks than traditional investments and is suitable only for sophisticated investors. Alternative investments involve greater risks than traditional investments and should not be deemed a complete investment program. They are not tax efficient and an investor should consult with his/her tax advisor prior to investing. Alternative investments have higher fees than traditional investments and they may also be highly leveraged and engage in speculative investment techniques, which can magnify the potential for investment loss or gain. The value of the investment may fall as well as rise and investors may get back less than they invested.

Opinions and estimates offered constitute our judgment and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. References to future returns are not promises or even estimates of actual returns a client portfolio may achieve.

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