

# FINANCIAL INSIGHTS BLOG

BUDGETING | SAVING & INVESTING | THE ECONOMY

## How Women Can Build Confidence for Equity Investing

### Female Equity Investors are Still Outnumbered

Investing has long been a space dominated by men, and despite progress, women still tend to invest at a lower rate, particularly in equities. The most recent data from the Central Bank of The Bahamas in 2019 revealed that while women are 51% more likely to save for the long-term than their male counterparts, only 36% of investors in The Bahamas are women. These numbers show progress, but there's still a significant gap to close.

Research consistently highlights the differences in how men and women approach investing. Women tend to be more cautious, often taking fewer risks with their investments.

The reasons for this gender gap are multifaceted. However the fact remains that until women develop a greater level of confidence in their investment decisions, they will continue to miss out on opportunities for significant growth in their portfolios.

### Understanding the Confidence Gap

A 2025 study by the Global Financial Literacy Excellence Center found that only 54% of women feel comfortable making investment decisions, compared to 71% of men. This disparity in confidence levels has tangible financial implications. Women are less likely to engage in higher-risk investments, such as equities, potentially missing out on opportunities for higher returns.



By acknowledging the existing confidence gap and proactively addressing its root causes, women can enhance their investment knowledge and participation, leading to greater financial empowerment and equality.

### Why Do Most Women Lack Confidence?

**Lower Levels of Financial Literacy:** Without the right knowledge or guidance, it's easy for anyone, especially women, to shy away from complex investment strategies. Furthermore, a lack of confidence in their financial decision-making abilities can leave many women hesitant to make the leap into equity investing.

**Limited Role Models:** The images shared of high-power investors are often depictions of men. The absence of female role models in the investing space, particularly in The Bahamas, can make it harder for women to envision themselves succeeding in a world that is often perceived as male dominated.

## Shifting Landscape

Looking on the bright side, things are changing. More women are stepping into the world of investing and taking charge of their financial futures. With the support of financial advisors and access to educational resources, women are building the confidence needed to make informed decisions and embrace the potential of higher-risk investments.

### Tips to Help Women Build Confidence in Investing

- **Educate Yourself:** Knowledge is power. Take the time to learn about different investment options, from stocks and bonds to mutual funds. Many online resources and courses are available to help you build a solid foundation in investing.
- **Start Small:** Begin with low-risk investments or a small portion of your savings. This allows you to get comfortable with the market without feeling overwhelmed, while also gaining valuable experience.
- **Set Clear Goals:** Define your financial goals, whether it's saving for retirement, a home, or education. Having a clear purpose will help guide your investment strategy and keep you focused on the long-term.
- **Seek Guidance:** Don't hesitate to ask for help. Whether it's from a financial advisor, mentor, or supportive community, getting advice from experienced investors can boost your confidence and help you make informed decisions.

## Challenge the Social Norms

Talking openly to about money remains taboo in The Bahamas. But women should open themselves up to discussions about investing among peers and family to normalize their active participation in investing.

Women have always had the ability to succeed in investing. Now, with more opportunities for financial education and community support, the future looks bright. By continuing to build confidence, closing the financial literacy gap, and seeking out role models, women can become powerful players in the investing world, paving the way for a more balanced financial landscape.

### CFAL is here to help.

If you need additional help, feel free to reach out to us for a Financial Planning Session. Our Certified Financial Planners are here to assist you with your budgeting, saving, and investing needs.

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