

## Widows and Wealth Portfolios

In this project we examine the effect of widowhood on portfolio composition. Currently, about half or more of households across countries are headed by women either single, divorced, separated or widowed and therefore their ability to make financial decisions is crucial for their economic well-being as well as their dependents. Meanwhile, research has found that women tend to be less involved with the stock market and have lower financial literacy, leaving them out of an important way of accumulating resources via investing and saving. At the same time their higher risk aversion may have sheltered them from some of the effects of the financial crisis. We test this by examining whether there is a change in the portfolio structure for households that have experienced the shock of becoming widowed and whether there are important age/cohort effects.

### Being single again? Asset and portfolio reshuffling (due to shock).

In this project we examine the effect of widowhood on asset trajectories and portfolio composition. Currently, about half or more of households across countries are headed by women either single, divorced, separated or widowed and therefore their ability to make financial decisions is crucial for their economic well-being as well as their dependents. Meanwhile, research has found that women tend to be less involved with the stock market and have lower financial sophistication, leaving them out of an important way of accumulating resources via investing and saving. At the same time their higher risk aversion may have sheltered them from some of the effects of the financial crisis. The portfolio structure is likely to reflect preferences of the main financial decision maker (usually the husband). If widowhood occurs it could be that singles re-optimize their decisions according to their own preferences. We test this by examining whether there is a change in the portfolio structure for households that have experienced the shock of becoming widowed and whether there are significant age/cohort effects.