



FINANCIAL
HEALTH

Financial Health Management: Take Your Planning to the Next Level

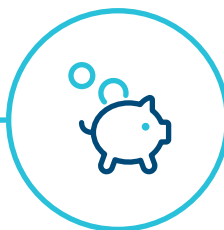
T. Rowe Price completed research on diverse communities in January 2020. The research provided specific insights on Black/African American investors. This is a high-level overview of the findings.

6 steps to building your financial health.



Black/African American investors have multiple financial goals. That means saving and investing for the long term while also trying to meet shorter-term objectives. A savvy financial professional—think of them as a financial coach—can show investors how to do it.

36% of Black/African Americans say that building an emergency fund is their top financial priority.¹ But they have other financial priorities too, including planning for long-term care and estate planning.



NEXT WAVE BLACK/AFRICAN AMERICAN INVESTORS

Are part of the community's growing financial power

\$1.6T Estimated buying power of the Black/African American community²

Want to be involved in their finances

67% want to know as much as possible about financial topics

37% want to provide input on most decisions when working with a financial professional

Want to be saving and doing more

47% of those with retirement goals say they're not on track with current saving and investing

A financial coach could help motivate you to make progress towards your goals

62% would like a financial coach to help manage their financial health

¹ T. Rowe Price Next Wave of Wealth Research Study, January 2020. Study includes interviews of high-earning Black/African Americans and peer groups to better understand goals, needs, and pain points.

² Selig Center for Economic Growth, Terry College of Business, The University of Georgia, June 2021.



64% of Black/African Americans would like a financial professional to design a customized strategy just for them. A financial professional can help implement fundamental elements like a budget, a strategy to eliminate debt, and a comprehensive financial blueprint to keep the investor moving forward over the long term. In the survey, Black/African American investors demonstrated that they know what they want to accomplish. A financial professional can help investors get there.

A majority (55%) of Black/African American investors said they value opportunity more than security in investing.³ Each investor needs to determine their comfort level with different investment types. No matter what an investor's comfort level is with security vs. opportunity, opportunity is usually associated with faster investment growth. The best way to grow investments is by starting in the earlier earning years. Investors always get to decide how much opportunity they want to take vs. how much security they prefer in investing.



There are opportune times for investors to evaluate their situation and re-assess their financial health, for instance, when changing jobs or getting a promotion. It's important to celebrate wins while making progress toward long-term financial goals, like after saving three months of income in an emergency fund, or contributing a certain amount to a down payment account.

The right financial coach will also ensure the investor's financial health coaching reflects their unique situation and aspirations. A financial coach can also provide sound financial education and advice, helping the investor make the decisions that are right for them. Most importantly, the investor stays in control.



Your financial health management starts now

Learn

Financial coaching is more than just investing and saving. It's prioritizing your financial goals and understanding how they affect each other. The more educated you are about finances, the more confident you'll feel about your financial health.

Tackle one issue first

You and your financial coach will decide which concerns to tackle first. When you've successfully addressed that, take on your next financial challenge.

Keep going

Keep working with your financial coach. Approach the strategy in stages and continue building on your success. Don't forget to celebrate each accomplishment.

³T. Rowe Price Next Wave of Wealth Research Study, January 2020. Investors rated how they valued security vs. opportunity on a scale of 1–10. 1 represented security (more concerned with preserving the original value of their investments), while 10 represented opportunity (more comfortable with possible substantial declines in pursuing higher levels of growth). 55% of Black/African American investors identified themselves in the 5–10 range.

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