




HOW WOMEN CAN THINK & INVEST IN A RECESSION

LET'S GET
STARTED

TURNING ECONOMIC DOWNTURNS INTO YOUR
LAUNCHPAD FOR FREEDOM



A BIG QUESTION

What would you
do if you never
had to work for
money again?

HAVE YOU EVER THOUGHT ABOUT YOUR
LIFE BEYOND THE CONSTRAINTS OF JUST
EARNING A PAYCHECK?

By imagining life beyond earning, we identify what truly matters

Most of us make decisions inside the box of financial necessity. I want you to step outside that box and design your ideal life without the limits of a pay check.

how might that look?


A passion project

Traveling more

Spending more time with family

Advocating for causes you believe in.

For women especially, this is a radical shift; we're often conditioned to put **others first, delay our dreams**, and equate **security** with **constant work**. By envisioning life without the need to earn, we clarify what truly matters: **relationships, creativity, freedom of time**, and **causes we care about**.



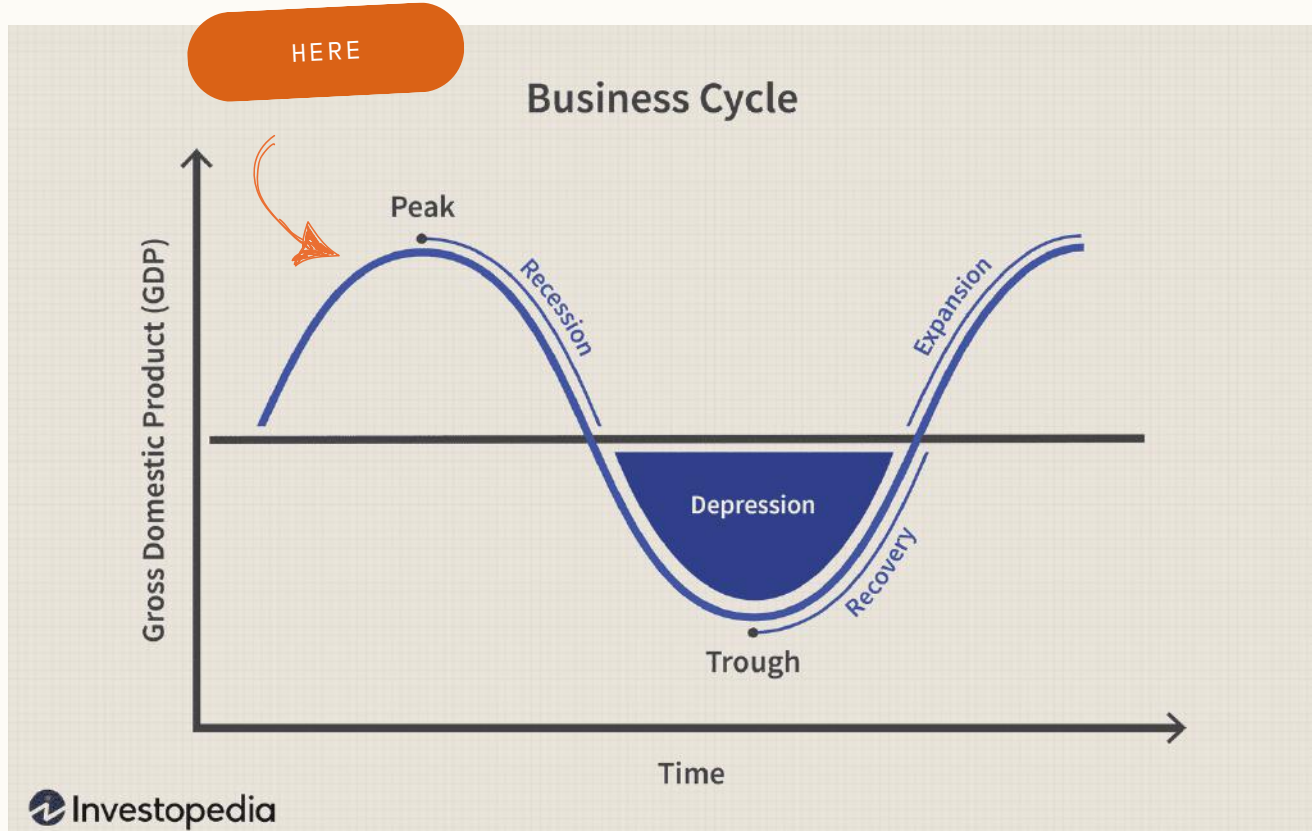
A recession strategy isn't just about protecting what you have — it's about positioning yourself to **seize opportunities** that could change your life trajectory.

1. Historically, many of the world's **most successful companies** were **born during downturns**: Microsoft (1975 recession), Airbnb (2008 financial crisis), Slack (2009), and Warby Parker (2010)
2. During COVID-19, we saw a **surge in women-led startups** — from virtual wellness brands to e-commerce boutiques — many growing faster than their pre-pandemic competitors because they adapted quickly to new market realities

THE DATA SHOWS THAT CRISES CREATE GAPS IN THE MARKET AND SHIFTS IN CONSUMER NEEDS; THOSE PREPARED TO ACT CAN ACHIEVE OUTSIZED WINS.

SO, WHERE ARE WE REALLY?

THE BUSINESS CYCLE



Economies move in predictable stages:

Expansion (growth, rising profits, low unemployment)

Peak (growth slows, inflation pressures)

Contraction/recession (economic activity declines, higher unemployment)

Trough (bottom before recovery)

A BIT ABOUT WHAT'S GOING ON RIGHT NOW

in the late expansion stage.

a transition phase



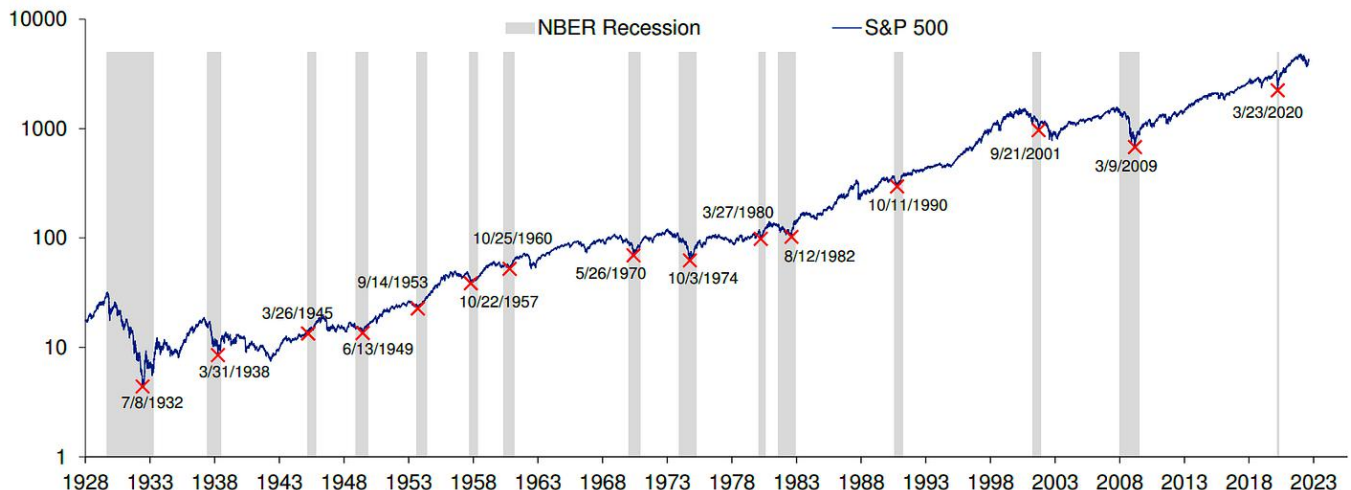
- ▶ **GROWTH IS SLOWING**
- ▶ **INTEREST RATES REMAIN HIGH**
- ▶ **MANUFACTURING ORDERS ARE SOFTENING**
- ▶ **HIRING IS STILL POSITIVE BUT MODERATING**
- ▶ **EQUITY MARKETS ARE VOLATILE AND CONCENTRATED IN A HANDFUL OF MEGA-CAP US TECH COMPANIES**
- ▶ **UNDervalUED REGIONS LIKE EUROPE AN EMERGING MARKETS ARE OUTPERFORMING**

Recessions Aren't Monsters

Recessions are a **normal, recurring** part of **economic life**.

A RECESSION AS A **SIGNIFICANT DECLINE IN ECONOMIC ACTIVITY** THAT LASTS **MORE THAN A FEW MONTHS** (TYPICALLY 6 MONTHS OR MORE), AND IS VISIBLE IN **GDP, REAL INCOME, EMPLOYMENT, INDUSTRIAL PRODUCTION, AND WHOLESALE-RETAIL SALES**. - *DEFINITION, NBER*

Figure 1: Daily S&P 500 Index since 1928 (in log scale), alongside recessions and bottoms (red crosses)



Source : Bloomberg Finance LP, NBER, Deutsche Bank



*If we EXPECT
recessions, we can
PREPARE for them —
and use them as
LEVERAGE.*

SO WHAT ARE THE RISKS?

- Loss of Income. *Job cuts, fewer clients*
- Loss of Confidence
○ *Panic selling, missing rebounds*

Yes, a cash buffer is the first line of defense, but that's just one layer.

RISK 1: LOSS OF INCOME

01

Create Multiple Streams of Income: Think of your financial life as a table — more legs = more stability.

02

Turn Passion Projects into Profit Projects: A recession often forces people to reconsider their day jobs.

03

Develop a “Recession Resume”: Keep skills sharp in high-demand areas — even unrelated to your current job.

04

Use the “Gig Safety Net”: Platforms like Upwork, Fiverr, TaskRabbit, Rover, or even seasonal retail/online work.

05

Leverage Your Network: Many job opportunities never hit LinkedIn — they're filled through relationships.

RISK 2: LOSS OF CONFIDENCE:

01

Markets almost always begin their strongest rebounds before economic news turns positive.

02

If you sell after a drop, you're likely to miss those initial **surges** — which historically are some of the biggest single-day gains.

03

From 2003–2022, **if you stayed invested** in the S&P 500, **your average annual return was 9.8%.**

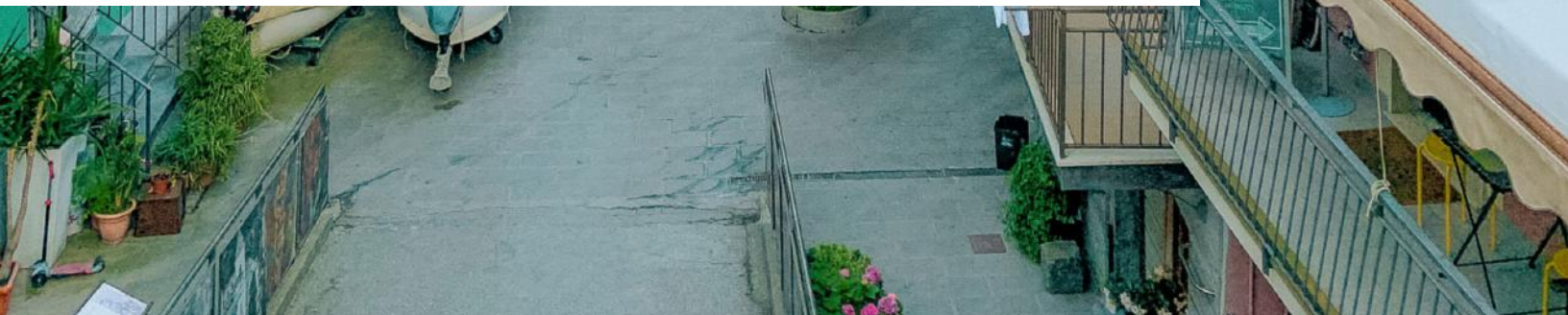
04

Miss just the 10 best days in that period? Your return drops to **5.6%**. Miss the 20 best days? Down to **2.9%** (barely above inflation.)

05

7 of the 10 best days occurred within 2 weeks of the worst days!

Source: J.P. Morgan, Guide to the Markets, 2023 edition



Mindset Shifts for Women Investors

RECESSIONS RESET THE PLAYING FIELD

In a **downturn**, **promotions slow**, raises **shrink**, and some incomes **drop** — so the traditional path of “**just keep earning more**” isn’t reliable. This mindset shift moves the focus from **income growth** to **wealth-building strategy**, which is something you can control even in a **weaker job market**.

We often talk about the idea of: “who do we need to become?”

Never is this more important than in a recession.



MONEY **SERVES** LIFE — NOT THE OTHER WAY AROUND

Many women work themselves into **burnout**, never asking “What is this **actually funding?**” Money is a tool to support your values — freedom, creativity, family, health — not an end goal.



YOUR **FREEDOM NUMBER** > YOUR PAYCHECK

Annual Expenses \times 25 = Freedom Number. Ex. \$60,000 \times 25 = \$1.5M Freedom Number. Historically, the portfolio survives 30+ years in 95%+ of market scenarios.
(Recessions can accelerate this!)



INVESTMENT RATE IS THE **ACCELERATOR**

If you increase investing during a recession, or high-earning or low-expense season, you can **leap forward** by decades.



SEASONS ARE OK (REMEMBER OUR LAST SESSIONS)

Women’s lives are often **nonlinear** — career breaks, caregiving, entrepreneurship, part-time seasons. After a promotion, put most of the increase into investments. During caregiving years, it’s fine to just maintain.

Warren Buffett, October 2008: “If you wait for the robins, spring will be over.”

Looking at the last few recessions (NBER dates):

Recession End Date	S&P 500 % Gain Before End Announcement
1990–1991	+21%
2001	+19%
2007–2009	+40%
2020 (COVID)	+94%

TIMING THE MARKET IS A TRAP

Why You Can't Time It:

- Even the **best economists can't consistently predict recessions** with timing precise enough to make profitable trades.
- Stock markets are **forward-looking** — they start falling **before** the recession officially begins and start recovering **before** it ends.
- *Example: The 2020 recession lasted just **2 months**, but the market began dropping in late February and began its recovery while the news was still full of doom. (The market hit bottom on March 23, 2020 — but the official recession end wasn't called until July 2021. By then, the S&P was up +94% from the lows.)*
- Women are statistically **more likely** to hold **excess cash during uncertainty** — a tendency that feels “**safe**” but often costs them the rebound gains.

The TWO LANE Strategy

THE DEFENSIVE LANE GIVES YOU PERMISSION TO KEEP THE **OFFENSIVE LANE OPEN** — BECAUSE YOU KNOW YOU'RE **PROTECTED**.

01

LANE 1 — LIFE BUDGET (DEFENSIVE)

Tighten spending: Prioritize needs over wants — but keep small joy spending to avoid burnout.

Increase cash buffer: 6–12 months of expenses is ideal in uncertain job markets.

Consider side income:

- Freelancing.
- Turning hobbies into income streams (Etsy shop, coaching, tutoring).
- Renting unused space (Airbnb, storage rental).

02

LANE 2 — PORTFOLIO (OFFENSIVE)

Keep investing: Even small amounts during downturns have outsized long-term impact due to dollar-cost averaging.

Downturns = Discounts:

Example: If an index fund is down 20%, every \$1 invested buys 25% more shares than before.

Automate contributions: This removes the emotional temptation to pause investments when headlines are scary.

DIVERSIFICATION AS SELF-DEFENSE

Why Diversification Matters in a Recession

It's not about maximizing returns in the short term — it's about avoiding catastrophic losses that derail your plan. A well-diversified portfolio means some part of your portfolio is likely doing well, even in a downturn.

Home Country Bias

As of August 2025, the S&P 500 is heavily concentrated: Top 5 stocks (Apple, Microsoft, Nvidia, Amazon, Alphabet) = ~27% of the index. Most are in tech — which means your US stock exposure might be less diverse than you think.

3 Market Risks That Keep Apollo's Torsten Sløk Awake at Night

By [Reshma Kapadia](#) [Follow](#)
Updated Aug 07, 2025, 5:34 pm EDT / Original Aug 07, 2025, 2:54 pm EDT

Torsten Sløk, the prominent Wall Street commentator and Apollo Global's chief economist, is known for taking a mosaic approach to the economy, markets, and geopolitics and distilling it into concise takeaways. He thinks investors aren't paying enough attention to the risks of stagflation and market concentration.

"Long Magnificent 7" once again world's most crowded trade, BofA survey finds

By Reuters

August 11, 2025 3:19 AM EDT - Updated August 11, 2025

That dominance of the stock market means that even [beginner investors](#) will have a lot of exposure to these companies through [stock market trackers](#). Those who don't invest actively will still have a lot of money riding on the Magnificent Seven stocks through their [pension](#).

Global Exposure Benefits

Developed Markets (Europe, Japan, Australia) — can be undervalued when US is expensive.

Emerging Markets (India, Brazil, SE Asia) — often rebound faster post-recession due to higher growth potential.

Historical fact: After the early 2000s US tech crash, international stocks outperformed US stocks for 7 years straight.

Bonds as Shock Absorbers) Particularly for Those Approaching Retirement

During the 2007–09 financial crisis: S&P 500 total return: –55% US Treasury bonds: +7%

Bonds don't have the same growth potential as stocks but provide stability and liquidity when markets drop.

DON'T FIGHT THE LAST WAR

what does this mean?

In investing, “fighting the last war” means **preparing** for the **exact scenario** that just happened, assuming history will repeat exactly.

Recessions have different **triggers, timelines, and asset class winners** each time.

Historical Examples

- 2000–2002 Dot-Com Bust: Tech stocks were crushed; **value stocks** and **bonds** did relatively well.
- 2008–2009 Financial Crisis: Bank failures and real estate collapse — **gold** and **Treasuries** were **strong performers**. *After 2008, many investors overloaded on gold — but from 2011–2015, gold prices dropped ~45%.*
- 2020 COVID Recession: Global shutdown; tech and “stay-at-home” stocks (Zoom, Peloton, Etsy) surged, travel & **hospitality crashed**. *After COVID, some over-concentrated in work-from-home stocks — many of which lost 70%+ once economies reopened.*



TWO BIG MISTAKES THAT COST DECADES

Mistake #1: Overconcentration

Example: **Tech in 2000. Nasdaq fell ~78% peak to trough. Took 15 years** to fully recover.

Today's context: Mag 7 = ~30% of S&P 500 market cap. Great companies, but high valuation risk.

Political or regulatory changes can hit sectors instantly — e.g., 2025 tariff policy shifts impacting manufacturing and global supply chains.

Mistake #2: Going All-Cash

This is an **emotional response**: *"I'll get back in when it's safe"* → **historically too late.**

Data points:

- **Post-2008:** S&P +40% in the first 9 months after bottom (Mar–Dec 2009)
- **Post-2020:** S&P +70% in 12 months after bottom (Apr 2020–Apr 2021)
- **Rebounds often start before recession ends** — per NBER data, average market gains 60% before recession is officially declared over.

Why Women Must Play the Game

1

The Reality

- **Longevity gap:** Women live on average 5–6 years longer than men (CDC data). That means more years to fund in retirement.
- **Earnings gap:** Women still earn ~82 cents per dollar compared to men (BLS, 2024). Over a lifetime, this means **hundreds of thousands in lost income**.
- **Investment gap:** Studies show women **keep a larger percentage of assets in cash**, missing out on long-term compounding.
- **Not playing the investment game doesn't dismantle capitalism** — it just leaves you more **dependent later**.



2

The Opportunity

- **Investing is a way to buy back your time:**
 - Fund early retirement, career breaks, sabbaticals
 - Support causes and communities you believe in
- **Recessions, while challenging, have historically been entry points for huge gains:**
 - Airbnb, Pinterest, Slack, and many other companies scaled massively during/after 2008 and COVID downturns.

3

Women's Investing Advantage

- Fidelity's multi-year study: **women's portfolios outperform men's by ~0.4% annually** — largely due to **more consistent investing** and **less overtrading**.
- In volatile markets, women tend to **stay the course** more than men, avoiding **costly panic selling**.



LIFESTYLE ROI MATTERS TOO

- **Money = choices**, not just things
- Protect your **time**, **creativity**, and **relationships** as fiercely as your **portfolio**
- A strong financial base lets you say “**no**” to work that erodes your humanity

WHY THIS MATTERS IN A RECESSION CONTEXT

RECESSIONS CAN ACT AS A FORCED AUDIT OF WHAT YOU ACTUALLY VALUE.

Without this buffer, you're more likely to stay in **roles that drain you** — even when the economy recovers.

RESILIENCE OVER REACTION

If you've built a high Lifestyle ROI before a recession, you won't feel forced into **desperation-driven** choices (*like taking on stressful jobs just for a paycheck*).

OPPORTUNITY CAPTURE

Many high-ROI lifestyle shifts happen during downturns — lower business start-up costs, cheaper travel/education, more available talent to collaborate with. Without liquidity and confidence, you miss these windows.

Your 5 Recession-Proof Rules

ACCEPT THE CYCLE

- **Why:** Recessions are not **anomalies** — they're a feature of the economic system.
- Since 1928, the U.S. has had ~**15 recessions** — that's roughly one every 6 years.
- **Expansions** last longer and are **stronger** than contractions.
- When you **accept** that downturns are **normal**, you stop **reacting** with fear and start **preparing** with **intention**.

STICK TO YOUR PLAN

- **Automate** investing so your emotions don't control your decisions.
- Historical data: missing just the 10 best days in the market over a 20-year period can cut your returns in half — and those **"best days" often happen right after the worst days**.
- Rebalancing in a recession ensures you're **buying more of what's cheap** and trimming what's expensive.

DIVERSIFY GLOBALLY & ACROSS ASSET CLASSES

- U.S. market concentration risk is **very real** — as of Aug 2025, the "Mag 7" accounts for over 30% of the S&P 500's weight.
- **International equities and emerging markets** can outperform in certain recovery cycles (e.g., 2003–2007).
- Bonds historically act as a **stabilizer** — in 2007–2009, U.S. stocks fell 55% while bonds rose 7%.

KEEP CASH & BOND BUFFERS

- Cash = **optionality** — the ability to seize opportunities or ride out storms without selling assets at a loss.
- Rule of thumb: at least 6–12 months of essential expenses in liquid form.
- Bonds (especially high-quality) can **soften volatility** and provide income during market drawdowns.

IGNORE SHORT-TERM NOISE — FOCUS ON YOUR "ENOUGH"

- Your "enough" number = the level of financial independence you personally need .
- Avoid getting trapped in the 24/7 news cycle of economic fear — the majority of "breaking" headlines won't matter in 3 years.
- A clear "enough" target lets you know when to coast instead of sprint, even in uncertain markets.

A woman with dark hair and glasses, wearing a black dress and white shoes, is walking from left to right. She is in a room with a textured, light-colored wall. A large, dark shadow of her is cast onto the wall behind her. The floor is light-colored and has several red spheres scattered on it. The lighting is warm and directional, coming from the left.

“The next
recession is
coming — but for
the *prepared*
woman, it’s not a
threat. It’s a
launchpad.”