

# Bloomberg

## ***Valentine's Day Has Come and Gone. Check Your Bank Account.***

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By Suzanne Woolley— February 14, 2017

So you made it through one of the most fraught of the fake holidays—no thanks to the financial services industry, which piled fear on top of Valentine's Day's other pressures. Not content to bombard consumers (and journalists) every other day of the year, marketers tied themselves in love knots this week trying to connect your heart with your wallet, often in extremely unromantic ways.

Take a clear-eyed look at what you spend on Feb. 14, TD Ameritrade recommended—and what it will cost you down the line. Say you throw out \$200 or so on a gift and a nice, romantic meal. "Using TD Ameritrade's Time Value calculator, if someone has an initial deposit of zero, and chooses to deposit \$200 a month at an annual rate of 5 percent, that investment would come to roughly \$31,000 over ten or more years and \$82,000 over 20 or more years," according to the company.

In the aggregate, it's even less romantic. Research reveals that "Americans will be putting \$17.3 billion on their credit cards in celebration of the holiday and spending \$753.87 million on their furry family members," personal finance comparison website finder.com reported. Dogs beat cats by owner affection expressed through spending, by the way, with an average of \$25 vs. \$21.

A LearnVest survey measured how unromantic we find profligacy in a partner, concluding that most of us would rather remain single than marry someone who isn't responsible with money. Close to 25 percent of those surveyed said money issues had led them to break up with someone. Public service messages can be a bit of a buzzkill, too, even if their hearts are in the right place. The National Consumer League's fraud prevention and education program, Fraud.org, warned consumers to "be wary of the inauthentic online relationships that wind up costing victims hundreds or even thousands of dollars." We are advised to be suspicious if "the 'relationship' becomes romantic extremely quickly, with quick pronouncements of love or close friendship" or "your suitor requests that you wire money or cash a check or money order on their behalf and send them the funds."

Indeed, we would be leery of such a suitor, especially since in 2016 "sweetheart swindles were the 9th-most reported form of fraud, and the most expensive for victims, with a median loss of \$2,000," according to the league. Adding horrible insult to injury, many such scams target elderly victims, suggesting the grifters are missing not just a heart but a soul.

Small-business owner? Why not celebrate the day by breaking up with a bad financial adviser, one pitch suggested. The gift: a 401(k) with better choices and lower fees for employees. "Even what seems to be a small fee of just 1% or 2% will dramatically shrivel a nest egg over time," writes Tom Zgainer, chief executive officer of America's Best 401k of Scottsdale, Ariz., a 401(k) plan provider focused on fee transparency.

He's right. Annoying, but right.

Speaking of splitting, the American Institute of CPAs chimed in with what a media relations executive wryly described in an e-mail as "the uplifting and totally Valentine's Day appropriate topic of divorce and retirement." The AICPA asked 500 CPA financial planners if male or female clients handled their finances differently after a divorce, and found that "women more likely than men to take positive steps post-divorce"—likelier to look for a job, increase retirement savings, adopt better spending habits, and seek out financial advice.

Finances are behind a lot of marital discord, and not just because your sweetie would rather save for retirement than take you out to dinner. If you had relationship trouble this Valentine's Day, nonprime credit lender Elevate suggests, look not to your hair or your long, long jokes but to your credit score. Americans with subprime credit "are 45 percent more likely to be divorced," according to the company, which goes on to muse over cause and effect: "Are people getting divorced because stressful finances put pressure on relationships, or are people becoming nonprime because divorce has negative financial consequences?"

Valentine's Day isn't a bad time to ask: Are you becoming nonprime?

And here's what we were told to expect from the stock market on Feb. 14: "Historically, Valentine's Day has not been nice to investors, with the [Standard & Poor's 500-stock] index going up only 40.9% of the time," warned Howard Silverblatt, senior index analyst for S&P Dow Jones Indices, noting that the market was down for the Saint Valentine's Day massacre in 1929. Nevertheless, this Valentine's Day, the S&P 500 ended the session up 0.4 percent, at a record high of 2,338.

That was after some romantic remarks from Federal Reserve chair Janet Yellen about the economy's strength. "Waiting too long to remove accommodation would be unwise, potentially requiring the FOMC to eventually raise rates rapidly, which could risk disrupting financial markets and pushing the economy into recession," she murmured.

Ah, love.

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