



**Canadian Centre for  
Christian Charities**

*Supporting ministries in a complex world*

# *retirement*

**PLAN REVIEW**

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## **Access newsletters online:**

Canadian Centre of Christian Charities has access to Proteus' website where you can view current, and past newsletters and performance summaries.

There is also a link to your administrator's website, which provides the latest tools and calculators to learn more about retirement planning.

**[www.proteusperformance.com](http://www.proteusperformance.com)**

**User ID: CCCC-Member | Password: pension**

# PERFORMANCE SUMMARY



## INVESTMENT STRATEGY

Capital Markets are unpredictable over short time periods and a well-diversified portfolio will help protect your capital over the long-term. Successful long-term investors do not focus on poor performance in any given year – they review their strategy and make sure it is well aligned with their long-term objectives. Completing a ‘Risk Profile’ will help to determine the type of investor you are. If you are unsure of the best strategy for you, you should seek independent professional advice before making your investment decisions.



Learn more at Canada Life’s website:  
[ssl.grsaccess.com](https://ssl.grsaccess.com)

Period Ending March 31, 2024				
	1 Year	3 Year	4 Year	10 Year
<b>Balanced Funds</b>				
Jarislowsky Fraser Balanced	13.5	5.9	10.0	7.2
<i>JF Balanced Benchmark</i>	10.9	5.0	9.0	6.1
Mackenzie SRI Balanced	10.3	5.8	8.9	6.3
<i>Mackenzie SRI Balanced Benchmark</i>	11.3	5.0	9.0	6.0
<b>Money Market Fund</b>				
Mackenzie Money Market	5.2	2.8	2.3	1.6
<i>FTSE Canada 91 Day T-Bill Index</i>	4.8	2.6	2.0	1.4
<b>Fixed Income Fund</b>				
MFS Canadian Fixed Income	3.0	-1.4	-0.1	2.3
<i>FTSE Canada Universe Index</i>	2.1	-1.5	-0.7	2.0
<b>Canadian Equity Funds</b>				
Jarislowsky Fraser Canadian Equity	15.7	8.7	16.7	8.3
Mackenzie SRI Canadian Equity	13.6	11.5	16.9	8.6
<i>S&amp;P/TSX Composite Index</i>	14.0	9.1	17.0	7.7
<b>U.S. Equity Fund</b>				
MFS American Equity	28.0	12.9	18.4	14.2
<i>S&amp;P 500 Index</i>	29.9	14.3	19.8	15.3
<b>Global Equity Fund</b>				
Mawer Global Equity	18.2	11.1	14.8	n/a
<i>MSCI ACWI Index</i>	23.2	9.6	15.8	10.9
<b>International Equity Fund</b>				
MFS International Equity	14.2	10.0	13.8	9.5
<i>MSCI EAFE Index</i>	15.9	7.9	12.7	7.5
<b>Target Date Funds</b>				
Fidelity ClearPath Income Portfolio	6.2	1.2	3.6	3.4
Fidelity ClearPath 2020 Portfolio	8.8	2.2	6.7	5.6
Fidelity ClearPath 2025 Portfolio	10.6	3.2	8.3	6.3
Fidelity ClearPath 2030 Portfolio	12.4	4.1	9.8	6.9
Fidelity ClearPath 2035 Portfolio	13.8	4.9	11.2	7.6
Fidelity ClearPath 2040 Portfolio	16.0	6.2	13.6	8.4
Fidelity ClearPath 2045 Portfolio	17.8	7.0	14.3	8.7
Fidelity ClearPath 2050 Portfolio	17.8	7.0	14.3	8.7
Fidelity ClearPath 2055 Portfolio	17.8	7.0	14.3	8.7
Fidelity ClearPath 2060 Portfolio	17.8	7.0	14.2	n/a

# Your Investment Funds

## **Balanced Funds**

*Jarislowsky Fraser Balanced* — Seeks to provide a balance of current income and long-term capital appreciation by investing primarily in a mix of Canadian and foreign fixed income and equity securities.

*Mackenzie SRI Balanced* — Provides a balanced return of capital growth and current income by investing primarily in equity and fixed income securities. The Fund invests in publicly traded Canadian and foreign companies that conduct their business operations in a socially responsible manner and show strong growth prospects; with some exposure to foreign companies that meet these criteria.

## **Money Market Fund**

*Mackenzie Canadian Money Market* — Provides interest income by investing primarily in Canadian fixed-income securities, including Canadian government securities and corporate income producing securities maturing within one year. This Fund invests primarily in government securities and high quality corporate money market instruments maturing within one year.

## **Fixed Income Fund**

*MFS Canadian Fixed Income* — Seeks to obtain interest income by investing primarily in Canadian fixed income securities.

## **Canadian Equity Funds**

*Jarislowsky Fraser Canadian Equity* — Seeks to obtain long-term capital gains by investing primarily in Canadian equities.

*Mackenzie SRI Canadian Equity* — Provides long-term capital growth with moderate income. The Fund invests primarily in the shares of publicly traded Canadian

companies that conduct their business operations in a socially responsible manner and show strong growth prospects; with some exposure to foreign companies that meet these criteria.

## **U.S. Equity Fund**

*MFS American Equity* — Seeks to achieve capital appreciation investing primarily in large cap U.S. equities.

## **Global Equity Fund**

*Mawer Global Equity*— Provides long-term capital growth by investing primarily in equities worldwide. The Fund invests in both large and small capitalization companies that offer the best global opportunities. It may also invest in T-bills and short term investments no greater than 3 years to maturity.

## **International Equity Fund**

*MFS International Equity*— Provides long term capital gains by investing primarily in non-North American equities. The Fund seeks to outperform the MSCI EAFE Index over full market cycles.

## **Target Date Funds**

*Fidelity ClearPath® Retirement Portfolios* — A family of lifecycle funds actively managed and regularly rebalanced to provide investors with optimal risk and return for their investment time horizon. The portfolios seek to maximize growth opportunities early on to provide high total investment return, and gradually become more conservative with advancing age.

# Importance of Developing a Retirement Plan

With inflation eating away at savings, Canadians are increasingly recognizing the importance of having a well-crafted financial plan to navigate the transition from work to retirement.

Fidelity's most recent annual retirement survey, which gathers insights from nearly 2000 Canadians, indicates there is a trend towards delaying retirement, with fewer individuals opting for early retirement compared to previous years. A rising cost of living, inadequate savings, and the absence of a concrete retirement plan support this trend.

According to the survey, 84% of pre-retirees with a documented plan feel financially prepared for retirement, compared to a mere 43% of those without one. However, despite its benefits, only 28% of pre-retirees reported having a written financial plan in place. Additionally, those who work with a financial advisor are more confident that their financial goals are within reach.

For many of us, the major barrier is not knowing where to start when crafting a plan. Common components of a financial roadmap include:

- Details about income sources during retirement;
- Estimates for retirement spending;
- Total savings required;
- Provisions for healthcare expenses;
- Strategies for wealth transfer to future generations; and
- Considerations for home modifications and other unforeseen expenses.

By proactively addressing concerns and setting clear goals, one can navigate the complexities of retirement, determine what age they are on track to retire by, and the steps to take to improve these estimates. Finding a suitable and reliable financial planner can help you develop a roadmap, complete with financial projections. Remember, it's never too early or too late to start planning for the retirement you envision.

# Ready to Retire

If you're within 5 years of retirement, now is the time to assess your cost of living and your projected annual retirement income. If your pension income exceeds your expenses, and you have calculated all the costs, including discretionary disbursements, you are on your way to a financially sound retirement. If you have a gap to close, or if you would like to increase your future income, here are some important steps that can help you.

## 1. Pay Off Debt

Once you retire, your ability to earn additional income for debt payments is reduced and as you get older, your health may prevent you from continuing to work even part-time. If you do have outstanding debts, you should work out a plan to eliminate as much as possible before retirement.

## 2. Align Your Investment Strategy

Re-assess your investment portfolio to determine whether your money is invested in a way that seeks to optimize your cash flow through retirement. If you still hold too much high-risk investments that can jeopardize your future cash flow, now may be the time to redefine the ideal strategy for your situation. Alternatively, you may be invested too conservatively, which can have a cost of foregone potential income.

## 3. Continue Saving

During our working careers, we are normally advised to keep 3-6 months' worth of expenses in an emergency savings account. After retirement, our ability to find new income is often reduced and many advisors recommend keeping up to 2 years' worth of living expenses in safe, liquid savings, should something unexpected happen. Unexpected events include needing to make a major repair on your home, or having a family member fall ill and require your financial support. Having an emergency savings account can also help you cover increased fees for insurance policies.

## 4. Estate Planning

Is your estate planning up to date? Have you reviewed your will recently? Do you have powers of attorney in place in the event you become unable to manage your affairs, even temporarily? Have you named estate administrators, beneficiaries, trustees, guardians for minor children?

## 5. Get Help

Getting professional advice is the best way to ensure that your money and estate are well taken care of. While the costs may seem high, it is worthwhile to get qualified financial advice to help avoid costly mistakes.

The title card features the words "MARKET REVIEW" in a large, bold, black, sans-serif font centered on a white rectangular background. This background is set against a dark, blurred background of a financial data screen with various numbers and lines in shades of green and white.

# MARKET REVIEW

## Canadian Equities

- Canadian equities returned 6.6% during the first quarter of 2024.
- The top performing sectors were health care, energy, and industrials, generating returns of 18.4%, 13.1%, and 11.1%, respectively.
- All sectors yielded positive returns except for communication services and utilities, which generated returns of -8.5% and -1.1%, respectively.
- Communication services represented the worst performing sector in the S&P/TSX index, attributed to elevated debt levels and heightened uncertainty surrounding interest rates.
- The recovery of the energy sector can be attributed to the resurgence of crude oil prices, with Brent and WTI prices rebounding by 10% and 13%, respectively.
- The S&P/TSX Composite Index outperformed the MSCI Emerging Markets Index over the quarter but underperformed the S&P 500 Index and the MSCI World Index.

## Foreign Equities

- International markets, represented by the MSCI EAFE Index (C\$), and the U.S. market,

represented by the S&P 500 Index (C\$), returned 8.7% and 13.5% respectively for the quarter.

- Global markets, represented by the MSCI World Index (C\$), returned 11.9%.
- Emerging markets, represented by the MSCI Emerging Market Index (C\$), returned 5.1%.

## Fixed Income

- Both The U.S. Federal Reserve and the Bank of Canada kept their key interest rates unchanged at 5.50% and 5.00%, respectively, during the quarter.
- The markets believe that rates have peaked but are uncertain of when potential rate cuts could be initiated by central banks.
- Both Canadian and U.S. government bond yields rose over the quarter, with the 10-year Canadian government bond yield rising 37bps to 3.47% and the 10-year U.S. treasury yield increasing 32bps to 4.21%.
- Year-over-year inflation cooled in Canada and dropped from 3.4% in December to 2.9% in March, with core inflation reaching to the lowest level since March 2021.

## A note about the performance summary:

*Returns are shown before fees unless indicated. Past performance of a fund is not necessarily indicative of future performance.*

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