



**Canadian Centre for  
Christian Charities**

*Supporting ministries in a complex world*

# *retirement*

## **PLAN REVIEW**

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# 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 December 31, 2024				
	1 Year	3 Year	4 Year	10 Year
<b>Balanced Funds</b>				
Jarislowsky Fraser Balanced	16.2	5.7	7.6	7.4
<i>JF Balanced Benchmark</i>	<i>14.6</i>	<i>5.2</i>	<i>6.5</i>	<i>6.5</i>
Mackenzie SRI Balanced	13.5	5.4	6.9	6.6
<i>Mackenzie SRI Balanced Benchmark</i>	<i>15.5</i>	<i>5.2</i>	<i>6.7</i>	<i>6.5</i>
<b>Money Market Fund</b>				
Mackenzie Money Market	5.0	4.0	3.0	1.9
<i>FTSE Canada 91 Day T-Bill Index</i>	<i>4.9</i>	<i>3.8</i>	<i>2.9</i>	<i>1.7</i>
<b>Fixed Income Fund</b>				
MFS Canadian Fixed Income	4.9	-0.3	-0.8	2.3
<i>FTSE Canada Universe Index</i>	<i>4.2</i>	<i>-0.6</i>	<i>-1.1</i>	<i>2.0</i>
<b>Canadian Equity Funds</b>				
Jarislowsky Fraser Canadian Equity	22.7	9.0	12.7	8.9
Mackenzie SRI Canadian Equity	18.0	9.0	12.6	9.1
<i>S&amp;P/TSX Composite Index</i>	<i>21.7</i>	<i>8.6</i>	<i>12.5</i>	<i>8.7</i>
<b>U.S. Equity Fund</b>				
MFS American Equity	30.2	11.2	14.8	14.2
<i>S&amp;P 500 Index</i>	<i>36.4</i>	<i>13.8</i>	<i>17.1</i>	<i>15.6</i>
<b>Global Equity Fund</b>				
Mawer Global Equity	12.1	6.1	10.1	n/a
<i>MSCI ACWI Index</i>	<i>28.1</i>	<i>10.1</i>	<i>11.9</i>	<i>11.6</i>
<b>International Equity Fund</b>				
MFS International Equity	13.4	6.9	8.9	10.1
<i>MSCI EAFE Index</i>	<i>13.8</i>	<i>6.7</i>	<i>7.7</i>	<i>8.0</i>
<b>Target Date Funds</b>				
Fidelity ClearPath Income Portfolio	7.6	1.9	2.0	3.5
Fidelity ClearPath 2020 Portfolio	10.7	2.4	3.4	5.7
Fidelity ClearPath 2025 Portfolio	12.7	3.3	4.5	6.5
Fidelity ClearPath 2030 Portfolio	14.6	4.3	5.7	7.1
Fidelity ClearPath 2035 Portfolio	16.1	5.0	6.6	7.9
Fidelity ClearPath 2040 Portfolio	18.5	6.2	8.3	8.8
Fidelity ClearPath 2045 Portfolio	20.8	7.2	9.2	9.1
Fidelity ClearPath 2050 Portfolio	20.8	7.2	9.2	9.1
Fidelity ClearPath 2055 Portfolio	20.7	7.2	9.2	9.1
Fidelity ClearPath 2060 Portfolio	20.7	7.2	9.2	n/a
Fidelity ClearPath 2065 Portfolio	20.6	n/a	n/a	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.

# Tax Information and Retirement Plan Limits for 2025

You should be receiving your T4: Statement of Remuneration Paid from your employer shortly. If you were a member of a pension plan or a Deferred Profit-Sharing Plan (DPSP) during the 2024 tax year, in box 52 on the T4 you will see an amount for a Pension Adjustment.

## What is a Pension Adjustment?

The Pension Adjustment (PA) represents the value of the pension/DPSP benefits you earned in the previous year, and it is used to adjust your Registered Retirement Savings Plan (RRSP) contribution room.

The allowable RRSP contribution for the current year is the lower of:

- 18% of your earned income from the previous year; or
- The maximum annual contribution limit for the taxation year; plus
- Any unused RRSP contribution room for prior years; less
- The sum of contributions to a pension plan or DPSP for the prior year (also known as your PA).

The PA ensures that the total amount contributed to your company sponsored pension plan or DPSP and your RRSP does not exceed Income Tax Act limits.

Below are the retirement plan contribution limits for 2024/2025:

	Registered Retirement Savings Plan (RRSP)*	Money Purchase (DC) Registered Pension Plan	Defined Benefit (DB) Registered Pension Plan	Deferred Profit-Sharing Plan (DPSP)	Tax Free Savings Account (TFSA)*
<b>2025</b>	<b>\$32,490</b>	<b>\$33,810</b>	<b>\$3,756.67</b>	<b>\$16,905</b>	<b>\$7,000</b>
2024	\$31,560	\$32,490	\$3,610.00	\$16,245	\$7,000

\* Unused contribution room can be carried forward from year to year.

## Canada Pension Plan (CPP) and Quebec Pension Plan (QPP)

Below are the CPP and QPP maximum pensionable salary and contribution rates for 2024/2025:

		2025	2024
<b>Canada Pension Plan (CPP)</b>	Year's Maximum Pensionable Earnings (YMPE)	<b>\$71,300</b>	<b>\$68,500</b>
	Contribution Rate (Employee/Employer)	<b>5.95%</b>	<b>5.95%</b>
	Max Contribution (Employee/Employer - each)	<b>\$4,034</b>	<b>\$3,868</b>
<b>Quebec Pension Plan (QPP)</b>	Year's Maximum Pensionable Earnings (YMPE)	<b>\$71,300</b>	<b>\$68,500</b>
	Contribution Rate (Employee/Employer)	<b>6.40%</b>	<b>6.40%</b>
	Max Contribution (Employee/Employer - each)	<b>\$4,339</b>	<b>\$4,160</b>
<b>CPP2/QPP2</b>	Year's Additional Maximum Pensionable Earnings (YAMPE)	<b>\$81,200</b>	<b>73,200</b>
	Contribution Rate (Employee/Employer)	<b>4.00%</b>	<b>4.00%</b>
	Max Contribution (Employee/Employer - each)	<b>\$396</b>	<b>\$188</b>

## Strategies for Catching Up on Retirement Savings

If you're behind on your retirement savings, don't worry—it's never too late to start making progress. Even small, consistent efforts can have a big impact over time. With access to your employer's retirement or savings plan, you already have tools to help you build a more secure future.

Begin by contributing whatever you can to your employer's plan, even if it feels like a small amount. Consistency is key, and as you get more comfortable, you can increase your contributions gradually. For those whose employers offer matching contributions, aim to contribute enough to receive the full match whenever possible. Your employer's matching contributions are essentially free money that directly accelerates your savings growth.

Next, take a look at your budget. You don't need to overhaul your lifestyle, but finding small ways to save can free up extra cash for retirement. For example, cutting back on dining out or reducing discretionary spending, like subscriptions you no longer use, can make a difference over time. Every little bit adds up.

It's also important to understand the investment options available on your fund line up. Take some time to review the choices and if you're unsure of your options, consider reaching out to your employer's service provider or attending financial literacy sessions if they're offered. These resources are designed to help employees make the most of their savings opportunities.

If you're already contributing the maximum to your employer's plan (the limits are outlined on the previous page), you may want to consider additional tax-advantaged options that may be available to you. Speak to a financial advisor to see what options may complement the savings you're already building.

Finally, don't stress about being perfect. The most important thing is to start today and stay consistent. Each small step you take is progress toward your goal. With time and discipline, even modest contributions can grow into a meaningful savings fund.



# MARKET REVIEW

## Canadian Equities

- Canadian equities returned 3.8% in Q4 2024, delivering a second consecutive quarter of growth.
- Information Technology was the best performing sector, generating a 22.2% return. Financials and Energy followed behind, each posting a 6.6% return.
- The two worst-performing sectors were Communication Services and Real Estate, posting returns of -19.2% and -10.5%, respectively. The Bank of Canada's continued efforts to lower borrowing costs could also be aimed at boosting real estate investment and reversing sector losses.
- The S&P/TSX Composite Index outperformed the MSCI EAFE Index by 5.9% and the MSCI Emerging Markets Index by 5.7%, while trailing the S&P 500 Index by 5.2% and the MSCI World Index by 2.6%.

## Foreign Equities

- U.S. markets, represented by the S&P 500 Index (C\$), returned 9% for the quarter.
- International markets, represented by the MSCI EAFE Index (C\$), returned -2.1% for the quarter.
- Global markets, represented by the MSCI World Index (C\$), returned 6.4% for the quarter.

- Emerging markets, represented by the MSCI Emerging Markets Index (C\$), returned -1.9% for the quarter.

## Fixed Income

- The Bank of Canada lowered its key interest rate with two 50-bps cuts this quarter, decreasing the rate from 4.25% to 3.25%.
- The Federal Reserve lowered interest rates this quarter with two 25-bps cuts, bringing the target range for their key policy rate to 4.25% - 4.50%.
- Canada's year-over-year inflation rose slightly during the quarter from 1.6% to 1.8%, remaining in line with the Bank of Canada's long-term inflation target of 2%.
- After consecutive gains in the past two quarters, the overall bond market performance, represented by the FTSE Canada Universe Index, remained flat for the quarter.
- U.S. government bond yields soared during the quarter, with the 10-year U.S. Treasury yield rising by 84 bps to 4.58%.

## A note about the performance summary:

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