

More in-depth educator-specific financial tips, articles, and resources are available at educatorsfinancialgroup.ca

DID YOU KNOW?

Online financial advice has its pitfalls.

Guaranteed High Returns – no risks! Insider Tips! Get them now!” - According to the Investment Industry Regulatory Organization of Canada (IIROC), fraudsters are increasingly using email and internet websites to deliver suspicious investment promises like these.

The Financial and Consumer Services Commission also states that scammers are targeting Canadians these days, seeking investment in companies that detect or cure Covid-19. Read more at: <https://fcnb.ca/en/frauds-and-scams/covid-19-fraud>

“We’re not saying don’t use the internet

to research financial advice,” says Caitlin Buchko, Educators Financial Group Certified Financial Planner professional.

“It can be a way to increase your financial literacy. Just know that there are trustworthy, and untrustworthy sources.”

Untrustworthy sources may include websites with urls that end in an unusual extension (such as .su, or .co); or feature sensational headlines. Research the author, and consider the evidence.

Trustworthy sources are those featuring professionals, with credentials you’ve checked. These websites will include

disclaimers that say the advice is general, and advise you to consult a professional for individual advice.

And that’s the lesson: even Warren Buffett’s online page says that financial advice must reflect your unique needs. If you have questions about something you’ve read, or that sounds too good to be true, talk to your Educators advisor. You can trust us for experienced, knowledgeable advice that reflects your specific needs.

Questions? Call us anytime at **1.800.263.9541**.

CHUCK’S CORNER

Prepare for success with the right tools.

Like many people during the pandemic, last year we renovated our home – specifically, we rebuilt the deck. Watching the carpenter, impressed by her expertise, I commented on how many tools she had. *She answered, “Any job is easier when you have the right tools.”*



The right tools often mean the difference between success and failure, and Educators has some of the best online financial tools around.

They’re easy to use and designed to help with real financial issues – the kind many faced in 2020.

Example: in 2020 many of you asked how to figure out if you could afford to retire early. We’ve got just the tool for that. Our new Pension Income Gap Calculator will help you see whether your savings are on track to enjoy the retirement you want.

Last year also saw many of us adjusting our spending. Some of us built our first budget, others developed an ‘emergency budget’ that reflected a greater need to save. Our Budget Calculator made this job a lot simpler.

Those who bought a new home last year found our Mortgage Payment Calculator tool to be really helpful in determining how much of a mortgage they could afford.

All these tools – and more – are in our Learning Centre (www.educatorsfinancialgroup.ca/tools/), along with helpful articles on managing your finances today. And remember, if you use our calculators and have questions, our advisors are here with the educator-specific answers right for you.



Chuck Hamilton, CEO and President,
Educators Financial Group

PS: Have questions or suggestions about how we can do more for you? Email me at:

chamilton@educatorsfinancialgroup.ca



PLANNING

Two ways to max your RESP savings.

Most parents who are saving for their children's post-secondary education know about – and thank heaven for – the Registered Education Savings Plan (RESP) and the Canada Education Savings Grant (CESG)," says Shannon Lamont, Educators Financial Group Senior Financial Advisor. "But some may not be aware of strategies that will help maximize how much they save."

To ensure you make the most of your RESP, Shannon suggests opening the plan as soon as possible, to give your investments more time to grow. **The earlier you start contributing, the earlier you can take advantage of compound growth.** But also, try to contribute earlier in the year, so you can receive the grant – and get it working for you – sooner.

Second, work with an advisor to maximize your CESG grant and get up to \$7,200 per child. An advisor can also help ensure you receive the most CESG possible within the allotted timeframe (you only receive the CESG on contributions made prior to December 31st in the year the beneficiary turns 17).

You can also make sure more of your dollars go towards the RESP itself with Educators Low-Fee RESP (www.educatorsfinancialgroup.ca/low-fee-resp/), which features a 20% lower management fee.* This low-fee E-Series of mutual funds is available only within an Educators Registered Education Savings Plan (RESP). They feature the popular Educators Monitored Portfolios and the Educators Balanced Fund. "The amount you save with our Low-Fee RESP – based on contributions of \$2,500 (and \$500 CESG) per year – could save you \$3,900 or more over 18 years. That's \$3,900 per child," says Shannon.

Educators Financial Advisors have strategies to help you maximize all your savings. Call us today at 1.800.263.9541.

Do you know how much it will cost for your child's post-secondary education?
This can help: www.educatorsfinancialgroup.ca/resp-calculator/



INVESTING

Investing in times of low interest rates.

The role of GICs and other fixed-income investments is to provide stability and reduce risk, balancing the more volatile equities in your portfolio. Their reliable interest payments also make GICs popular with retirees.

However, with interest rates at historic lows, investors might wonder: "Are there alternatives to GICs?"

The Financial Planners at Educators Financial Group can explain what to consider. "Our clients have recently asked about alternatives to GICs, such as high-interest savings accounts (which are also affected by today's low rates), bonds, and dividend-paying investments (which have a higher degree of risk)," says Bill Rakovitis, Educators Financial Group Senior Financial Advisor.

"One of the things we discuss is the safety of their capital. While GICs guarantee your initial investment and interest, other fixed-income investments such as corporate or government bonds (except savings bonds) can incur a capital loss (if the issuer defaults on their obligations, or if interest rates rise)."

One alternative is Educators Monitored Portfolios™ (www.educatorsfinancialgroup.ca/educators-monitored-portfolios/).

"The Conservative portfolio offers interest income plus low to moderate long-term growth. Although principal is not guaranteed, it's an option for investors with a low tolerance for investment risk, and a medium-term investment time horizon ... and its 1-year rate of return as of January 31, 2021 was 3.06%," says Bill.

If you have questions about GICs or your portfolio and whether it is continuing to meet your goals, call an Educators Financial Advisor today at 1.800.263.9541.

Are you investing enough to save for your retirement? Find out if you're on track, with our Pension Income Gap Calculator: www.educatorsfinancialgroup.ca/calculatepensiongap/



BORROWING

Buying, selling, and Covid: the new rules.

The pandemic changed more than how we work, shop, and socialize ... it also changed some of the 'tried and true' rules of real estate.

First, the process has become much more virtual. Interactive 360-degree video tours replaced Open Houses. Zoom meetings replaced face-to-face discussions. You can even eSign documents with encrypted signatures. While buyers may still tour a home, it's more likely to be the very last step before the offer, with strict Covid-inspired protocols (such as buyer and agent travelling separately, wearing masks, and not touching anything). Make sure you work with an agent who is experienced working with the technology being used today.

Here's a tip from Frederica Scenci, Educators Financial Group Mortgage Agent: "If there's no Open House, make sure you visit the area in person, or at the very least virtually on Google maps. Are schools and parks nearby? Is there much traffic? Can you walk to shop, or do you have to drive. How far is it to a bus stop?"

One other thing that can come as a surprise to an excited home buyer is regulations around down payments. Did you know you have to verify the source of your down payment funds? Find out how to verify your sources, here (www.educatorsfinancialgroup.ca/down-payment-sources/).

What hasn't the pandemic changed? The benefits of working with a knowledgeable professional when it comes to your mortgage needs. You can trust an Educators Mortgage Agent to know the market and its changing requirements, and work hard to get the right mortgage for you. Call us today at 1.800.263.9541 for any lending needs you may have.

Do you have enough for that big purchase?
Find out: www.educatorsfinancialgroup.ca/big-purchase-calculator/

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Educators Financial Group

2225 Sheppard Avenue East, Suite 1105, Toronto, ON M2J 5C2

Tel. 416.752.6843 or 1.800.263.9541 • educatorsfinancialgroup.ca

