Educators
FINANCIAL GROUP

Insights

SUMMER 2026

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

DID YOU KNOW?

Can AI truly replace your financial advisor?

Artificial intelligence has rapidly become an efficient, time-saving tool across the financial sector. From algorithmic trading to portfolio monitoring, institutions routinely leverage technology to process vast amounts of data.

However, its value depends entirely on how it is used. "Investors relying on AI must be mindful of its limitations," **cautions Educators Senior Financial Planner Darryl Martella, CFP®, RRC®.**

"A generic AI recommendation might not fully reflect your unique financial reality," **says Darryl.** "The quality of any output is strictly limited by the data it receives. While your financial advisor will ask nuanced, deeply personal questions to uncover your true goals and risk tolerance, users rarely provide that same level of detail to an online tool. Consequently, the resulting guidance often lacks precision."

Additionally, because some AI models draw information from unverified or inconsistent sources, the insights they generate run the risk of being biased, incomplete, or outdated.

Legal distinctions also play a major role. Financial advisors have a strict fiduciary duty to place their clients' best interests first, backed by regulatory accountability and professional liability. AI systems hold no such legal obligations. Data privacy is another vital factor when interacting with public digital tools. "Since we do not have visibility into how the model handles, stores, or trains on what is uploaded, it is important to be exceptionally cautious about the data you share online," **warns Darryl.**

Ultimately, while AI offers speed and analytical power, human judgment remains essential to ensure accuracy and safeguard your long-term wealth. If you have questions about navigating these emerging technologies, or want to ensure your portfolio remains aligned to your goals, reach out to your Educators financial advisor today.

PETER'S PERSPECTIVE

Explore the potential of your savings with our NEW interactive tool.

At Educators Financial Group, we are committed to empowering the education community with the financial tools you need to achieve your life goals. Beyond competitive products, we provide comprehensive financial planning, interactive workshops and webinars, educational articles in our Learning Centre, and a suite of easy-to-use online calculators. To that end, I am delighted to introduce the newest addition to our digital lineup: **the Investment Growth Calculator.**

Our latest tool is designed to model how regular contributions can build momentum over time.

It is the perfect resource for mapping out professional and personal milestones that require a dedicated savings strategy. Whether you are funding a deferred salary leave to take time away from the classroom, upgrading your vehicle for the daily commute, or accumulating a down payment for a future home, this tool helps you visualize the path forward. Using the Investment Growth Calculator is simple. By entering your initial investment amount, any ongoing contributions, time horizon, and an estimated rate of return, the tool instantly projects your potential growth over time. It clearly demonstrates the compounding impact of regular contributions and varying rates of return.

You can try the Investment Growth Calculator today at **www.educatorsfinancialgroup.ca/growth-calculator/.** It's just one of several tools designed to help you track your financial health and plan for the future. I am confident that our new calculator will be a valuable asset as you track your portfolio and map out your long-term milestones.

Peter Van Meerbergen
President and CEO,
Educators Financial Group

P.S. If you'd like to reach out to me directly, you can email me at pvmeerbergen@educatorsfinancialgroup.ca

PLANNING

Take control of summer spending now.

Budgeting for summer is challenging for education members," **says Educators Financial Planner Mychelle Dacumos, PFP®.** "Some face unpaid months or higher costs with the extra time off. For those on 12-month pay plans, summer income is simply their own hard-earned salary, deferred over the year."

Keeping seasonal expenses in check may feel especially difficult this year due to rising prices for everything from gas to flights. For instance, the national gas price average is $1.66 per litre at the time of writing, compared to $1.35 per litre a year ago[1].

"The good news is that you don't need to change your plans," **says Mychelle.** "You can lower expenses by remaining flexible and doing some research."

For a road trip, save 3 to 5 cents per litre on fuel by pairing loyalty apps like Journie Rewards with cash-back credit cards. Apps like GasBuddy can help find the lowest prices along your route, and maintaining a steady speed under 100 km/h can improve fuel economy by up to 20 percent[2]. For local entertainment, browse regional tourism sites like Ontario's Summer Fun Guide.

If you are travelling abroad, look for attractions that offer free admission days, maximize hotel amenities like pools or included breakfasts, and dine where the locals eat for a more authentic experience at a lower price point.

If you haven't made plans yet, discover creative ways to enjoy your time off while protecting your cash flow: www.educatorsfinancialgroup.ca/summer-cash-flow/.

No matter your plans, we are here to help. Connect with your Educators financial advisor today to review your cash flow and ensure your finances stay on track all season long.

Try our easy-to-use online budget tool: www.educatorsfinancialgroup.ca/budget-calculator/

INVESTING

Know when to rebalance your portfolio.

When you and your financial advisor first established your portfolio, you chose an investment mix tailored to your specific goals. Over time, however, market fluctuations shift that balance. Regular rebalancing ensures your asset mix stays aligned with your original strategy. Here are 5 signs your portfolio may need a closer look:

#1: Your equities have outpaced other investments. "Equities often grow more aggressively," **says Educators Financial Planner Adam Brown, PFP®.** "Over time, this can cause them to dominate your portfolio, making a once-balanced strategy far more aggressive."

#2: Market movements cause you stress. If you find yourself constantly checking your portfolio or feeling anxious about market dips, your risk exposure may exceed your comfort level.

#3: A single fund or sector has grown disproportionately large. When one investment or market theme performs exceptionally well, it can begin to dominate your portfolio. This change in concentration can leave you highly vulnerable to a single, localized market downturn.

#4: It has been more than a year since your last review. Tax rules, investment products, and economic conditions evolve. Reviewing your portfolio annually keeps your investment allocation aligned with today's environment.

#5: Your personal goals have shifted. If your life circumstances have changed, your portfolio may not need a simple rebalance back to its old target. Instead, it may require a strategic reallocation to support your updated financial objectives.

If you suspect your portfolio has drifted off course, give us a call at 1.800.263.9541.

Educators Monitored Portfolios® are an easy way to ensure your portfolio reflects your needs and are automatically rebalanced on a regular basis: www.educatorsfinancialgroup.ca/emp/

BORROWING

How global conflict impacts your mortgage.

For the million-plus Canadian homeowners facing mortgage renewals in 2026, the conflict involving Iran means much more than surging gas prices. Geopolitical tensions are directly influencing borrowing costs, too. "It is a clear domino effect," **explains Naji Zourob, Mortgage Agent Level 1 – Mortgage Advisor.** "Higher oil prices fuel inflation, which drives up bond yields and pushes mortgage rates higher."

To understand the impact, it helps to look at the timeline. When oil transit was restricted in the Strait of Hormuz this past March, crude oil rose from $70 to $100 per barrel. That increase trickled into higher transportation, manufacturing, and consumer goods costs, raising fears about inflation.

When investors expect inflation to climb, they demand higher returns on bonds. Because fixed mortgage rates are priced largely on Government of Canada bond yields, they rise in tandem. Consequently, when bond yields jumped from 2.7% to over 3% in March, many 5-year fixed mortgage rates rose by roughly 0.40% shortly after.

Variable rates, on the other hand, have remained steady as they follow the Bank of Canada's overnight rate rather than the bond market. The central bank has held this rate at 2.25% across its last five decisions, keeping the best variable rate options around 3.70%. However, that stability may hinge on inflation. Driven by fuel costs, inflation rose to 2.8% in April, though core inflation, which excludes volatile food and energy costs, sat at 1.8%. "If energy costs begin to seep into core inflation in the coming months, the Bank of Canada may be forced to react," **says Naji.**

Navigating this changing environment requires expert guidance. If your mortgage is up for renewal, give us a call today at 1.800.263.9541.

Discover the benefits of working with a mortgage broker: www.educatorsfinancialgroup.ca/mortgage-brokers/

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[1] https://www.caa.ca/gas-prices/
[2] https://natural-resources.canada.ca/domestic-international-markets/saving-money-gasoline-other-fuels