Educators FINANCIAL GROUP

Insights

WINTER 2026

NEW! Check out the latest Market Update - now available in the Learning Centre
www.educatorsfinancialgroup.ca/learning-centre/market-update-winter-2026/

DID YOU KNOW?

Canadians who work with a financial professional are more confident in reaching their goals.

In 2025, financial headlines were dominated by tariffs, inflation, and rising prices – hardly the stuff to inspire optimism. Yet, a recent FP Canada™ Money & Milestones survey revealed a surprising resilience: more than 6 out of 10 Canadians remain confident they will achieve their life milestones, despite the economic climate.

What is driving this confidence? The data points to the value of professional advice.

The survey discovered a significant "confidence gap" between those who go it alone and those who seek help: 79% of Canadians who work with a financial professional expect to meet their goals, compared to only 59% of those who do not*.

That extra confidence becomes critical when you consider the specific aspirations–and obstacles–Canadians are currently facing. While respondents listed retirement, travel, and home ownership as their top priorities, they also identified tangible barriers standing in their way. These included the burden of paying off debt, not having enough money left after necessary expenses, and simply feeling overpowered by the complexities of money management.

According to **Educators Financial Planner, Bill Rakovitis, CFP®**, financial professionals are specifically trained to help clients clear these hurdles.

"Working with my clients, I develop a financial plan – everything from a budget that helps them save to an investment strategy – that's unique to them," **says Bill**. "We discuss specific strategies on how to pay down debt or save for a home. Many people tell me the unexpected bonus is the peace of mind of knowing they're on the right track."

For 50 years, our financial team of experts have provided financial advice and solutions geared to the unique needs of the education community. Call us today at 1.800.263.9541 to book your financial review.

PETER'S PERSPECTIVE

The two most important investing lessons we learned in 2025.

A new year is always full of unknowns, but I believe that the very best way to prepare for the future is to really understand the past. When I look at the performance and volatility of the 2025 market, one pattern jumps out: the most difficult days hold the most powerful lessons. This is certainly true for two key investment principles that, if you embrace them, will help you become a much calmer and more resilient investor in 2026.

Lesson #1: Stay calm and resist the urge to overreact. Financial headlines are designed to provoke a reaction, but panic is rarely a profitable strategy. The first week of April 2025 offered a perfect example: following the threat of sweeping U.S. tariffs, the S&P 500 Index recorded its largest weekly decline since March 2020. Yet, by the end of the month, the index finished only marginally lower. The market quickly absorbed the news and returned to focusing on fundamentals.

Lesson #2: Time in the market trumps timing the market. The biggest risk of emotional selling is missing the recovery. Some of the markets' best days occur during volatile periods, often immediately following steep declines (as seen in October 2008 and March 2020). Missing these few crucial days can dramatically reduce your long-term returns.

While we can't predict the next twelve months, we can certainly prepare for volatility. Ensure your portfolio is diversified to shield your investments from market turbulence. Talk to your Educators financial advisor to confirm your portfolio reflects your current risk tolerance and goals, and to see if a rebalancing is necessary.

Above all, let the lessons of 2025 guide you. We're here to help.

Peter Van Meerbergen
President and CEO,
Educators Financial Group

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

Do you have questions? We want to help. Call us at 1.800.263.9541 and let's talk about it!

PLANNING

Why you need a digital executor.

Estate planning used to be defined by physical assets like deeds and portfolios. Today, the most volatile and often overlooked assets are digital—from irreplaceable photos and family videos to cryptocurrency and loyalty points.

So, what happens when these online assets aren't included in your estate plan?

According to **Educators Financial Planner, Lisa Raponi, CFP®, RRC®, TEP**, failing to plan for your online estate can lead to frustration and financial disaster. In one Canadian case**, a widow needed a court order to access a gaming website shared with her late husband, despite her having a notarized copy of his death certificate.

The key to mitigating these legal and financial risks lies in understanding the scope of a digital estate. These assets are diverse. They can be virtual (online banking, cloud drives, investment or social media accounts) or physical (data stored on computers, flash drives, etc.). Because most accounts are password-protected and require multi-factor authentication, a separate plan is essential. You can't simply pass on a password.

Lisa advises, "First, list your assets and passwords and keep a printed copy separate from your will. Next, appoint a digital executor with the technical skills to access them. Finally, review your contracts; they vary widely." For example, services like Apple allow you to appoint a legacy contact who can access emails, videos, and photos. However, loyalty programs may strictly prohibit the transfer of points to a beneficiary.

The complexities of digital assets make modern estate planning essential. Call us today at 1.800.263.9541 to get started.

For more on why you need an executor for your digital assets, visit: www.educatorsfinancialgroup.ca/digital-assets/

INVESTING

Are you wrong about RRSPs?

For most Canadians, the new year brings a renewed focus on lowering taxes and the question: "Should I make a last-minute RRSP contribution?" For education members, it's different. Because you have a defined benefit pension, you aren't just seeking a tax deduction; you're likely asking: "How does an RRSP work with my pension?" or "Is it bad for my pension?"

According to, **Educators Financial Planner, Kader Sirpe, CFP®**, these questions are common for OTPP and OMERS members.

"I'm often asked if education members actually need an RRSP," **says Kader**. "The first step is determining if your pension alone will provide the money you need for the lifestyle you want."

If you decide to supplement your pension with an RRSP, the benefits remain: contributions reduce taxable income and grow tax deferred. However, there is one specific catch for education members. Because you belong to a registered pension plan, you have a pension adjustment, which reduces your maximum contribution limit to account for the value of your pension benefits. Always check your CRA Notice of Assessment for your exact limit.

So, why bother with the extra complexity?

Beyond savings, an RRSP offers strategic flexibility that your pension might not. For example, if you retire early, converting an RRSP to a RRIF can provide income to "bridge the gap" before your Old Age Security kicks in. Additionally, you can contribute to a spousal RRSP, which helps to split retirement income between you and your partner and lower your household's tax liability.

To maximize these strategies, it helps to work with someone who understands the unique income structure of an education member. If you have questions about your RRSP, give us a call at 1.800.263.9541.

Are you on track to saving for retirement? Find out here: https://www.educatorsfinancialgroup.ca/calculatepensiongap/

BORROWING

Higher mortgage payments? Don't panic.

A whopping 60% of Canadian mortgages are renewing by the end of 2026, and homeowners are understandably concerned. While those with variable-rate mortgages may actually see some relief due to recent rate cuts, holders of 5-year fixed-term mortgages are facing a steeper climb. The Bank of Canada predicts that for these households, average monthly mortgage payments could rise by $400 – a significant jump for budgets already stretched by increases in the cost of living.

To help manage potential 'sticker shock', **Jessica Dadswell, Educators Principal Broker – Mortgage Advisor**, advises clients not to delay. "Take action as soon as you receive your mortgage renewal notice," **says Jessica**. "You'll need as much time as possible to see how your new rate and terms will affect your budget, and to shop around and compare offers."

If your renewal offer makes it difficult to meet your monthly expenses, you have options beyond just hunting for a better rate:

- **Extend your amortization**: Extending to 25 or 30 years will lower your monthly payments but will also mean paying more interest overall, as explained here: www.educatorsfinancialgroup.ca/higher-mortgage-payments/.
- **Refinance and consolidate:** You can refinance your mortgage to include other high-interest debts, consolidating them into one manageable payment.

The best advice for navigating this market is to work with experts you trust to advocate on your behalf. Our mortgage advisory team is here to provide the clarity and options you need. Call us today at 1.800.263.9541.

Use our Mortgage Payment Calculator to see how a new rate could affect your monthly payments: https://www.educatorsfinancialgroup.ca/mortgage-calculator/

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*https://www.fpcanada.ca/account/dashboard/fp-canada--money---milestones-survey-reveals-canadians-are-confident-in-affording-life-milestones--despite-financial-challenges
**https://www.cbc.ca/news/business/apple-wants-court-order-to-give-access-to-appleid-1.3405652