

When it comes to retirement planning ... there's no time like the present



No matter what stage in life you find yourself, now is always the best time to save for your retirement. As we start a new year, and with the RRSP deadline quickly approaching, now is the perfect time to put a financial plan in place if you've still got that on your 'to do' list.

And if you've already got a plan in place, regular communication with your financial representative is essential. You may have new goals for your future or your life circumstances may have changed – perhaps you had a child or bought a new home. Be sure to communicate any lifestyle changes to your financial representative so your plan can be kept up-to-date.

Here are a few reminders to help you focus and keep your retirement plans on track:

Write it down: Business experts agree that writing down your goals increases your chances of achieving them. Written, practical goals can have a positive impact on your investment habits. Begin by talking to your spouse about the retirement lifestyle you would like and when you want to retire. Discuss whether you'll work part-time during retirement and, if so, for how long. Once you've decided on these basics, your representative can help you determine how much money you'll need to achieve your dream.

Eliminate debt and invest regularly: To achieve your goals, saving has to become a priority - and a habit. It's much easier to invest smaller amounts regularly than to come up with a lump sum at year-end. Your RRSP will also reap the benefits of compound interest if you begin contributing earlier in the year.

Diversify your portfolio: To achieve healthy returns, yet still feel secure about your investments, you need to invest in both fixed-income and equity products. Using our Investor Profile, your representative can help you determine your risk tolerance and an investment mix that's right for you. Holding a variety of asset classes can also reduce the risk of loss in any one area. You can also diversify within asset classes by holding a mix of equities such as Canadian, U.S. or global. Through diversification, you can offset losses in one area by gains in another.

Use tax savings to your advantage: Don't sacrifice your RRSP in favour of other financial goals, such as paying down your mortgage. In many cases, the tax savings gained from an RRSP investment can potentially outweigh the interest saved by paying down your mortgage - especially when mortgage rates are low. If reducing your mortgage is a short-term goal, you can always pay down your mortgage with your income tax refund.

Get started today!: The more time your money has to accumulate, the more your investment will grow. Your investment horizon can have even more impact on the end result than the actual amount of money you save - as the illustration below indicates.

Investment amount (at 4% interest)	Starting at age	Value at age 65
\$250 a month	25	\$291,216
\$250 a month	35	\$171,878
\$250 a month	45	\$ 91,258
\$250 a month	55	\$ 36,794
\$500 a month	25	\$582,432
\$500 a month	35	\$343,757
\$500 a month	45	\$182,516
\$500 a month	55	\$ 73,588

Call FaithLife Financial today for a retirement planning check up before the RRSP deadline of March 1, 2011. We can assist you with all your financial security needs. Remember, life insurance protection is the foundation of any solid financial plan. Let us show you how easy it can be to save money to protect your family's financial future AND benefit your Christian community.

For help in getting your financial needs in balance so you can live a more generous life as God calls, contact FaithLife Financial.



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