



# SUMMER NEWSLETTER

TRILLIUM WEALTH MANAGEMENT | July 2024

Environment Canada predicts warmer-than-usual summer across the country, especially in the east and we hope you get to enjoy it with family and friends.

We kicked off the summer by hosting our annual Shred-it & Forget it event in TD branches in Orleans and Kanata, where TD clients and community members securely destroyed confidential documents. Some were clearing out estate papers and others were happy to let go of CRA documents from the 1970s!

## Market Insights<sup>1</sup>

- The US economy continues to show signs of resiliency, with a strong labour market and strength in consumer spending.
- US Federal Reserve kept interest rates at 5.25%-5.50% range in June, amid modest progress on inflation. May Consumer Price Index (CPI) declined to a 3.3% from prior year, down from 3.4% in April. Grocery and gas prices eased, while housing inflation remained stubbornly high.
- Bank of Canada reduced its overnight rate by 25 basis points to 4.75% in June.

- Deglobalization trend continues with US President Biden's tariff increases on Chinese imports.
- Fixed income returns expectations remain positive, as in previous easing cycles, bonds have generated positive returns. Fixed income provides diversification benefits along with reducing overall portfolio volatility and capital preservation, amidst uncertainty around global and domestic macroeconomic data.

## How long will my money last in retirement?

Many Canadians approaching their golden years are wondering if their savings will last them long enough to enjoy retirement. A decumulation strategy or a financial plan can create roadmap and help decrease anxiety around this stage of life. When creating a personalized plan, the following factors should be considered:

**Life span** – looking at current health status and family history can provide a guestimate of longevity to know how long you would need to keep supporting yourself.

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<https://myteam.td.com/sites/tdwealthinvestment/Shared%20Documents/Forms/AllItems.aspx?id=%2Fsites%2Ftdwealthinvestment%2FShared%20Documents%2FArchive%2FPublications%2FWAAC%20Perspectives%2FWAAC%20Perspectives%2FWAAC%20Perspectives%20EN%2Epdf&parent=%2Fsites%2Ftdwealthinvestment%2FShared%20Documents%2FArchive%2FPublications%2FWAAC%20Perspectives&p=true&ga=1>

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**Lifestyle** – traveling, hobbies, and other anticipated discretionary costs should be considered and included in the decumulation strategy.

**Government benefits** – finding out entitlements such as CPP/QPP and OAS is a good starting point to see how far those will go to cover fixed expenses and how much is needed from savings and other income sources.

**Budget** – having a realistic plan for withdrawing from your savings each month is important. Discretionary purchases are typically higher in early retirement, for travel and hobbies. Later in life, healthcare costs and home care are more likely to need increased funding.

Some risks to running out of money are: market volatility, overspending, inflation, taxes, health care costs, funding children, grandchildren and/or parents.

## Important Dates - Upcoming

- December 31, 2024 - RESP/RDSP contribution deadline
- Jul. 24<sup>th</sup>, Sept. 4<sup>th</sup>, Oct. 23<sup>rd</sup> and Dec. 11<sup>th</sup> – Bank of Canada interest rate announcements
- November 7<sup>th</sup>, 2024 – save the date for an in-person Estate Planning Seminar (details to follow).

## Private Giving Foundation

As an alternative to micromanaging your various charitable contributions, the Private Giving Foundation is a way of helping you manage and build your charitable legacy simply, efficiently and tax effectively through a donor-advised account. It offers:

- Lower associated expenses and duties
- Lower minimum contributions
- Quarterly statements with yearly tax receipts issued every February
- Account grows tax free
- Eliminates capital gains tax
- Alleviates year end stress

For more information on the Private Giving Foundation please check out the brochure [www.td.com/ca/document/PDF/tdw-pgf-brochure.pdf](http://www.td.com/ca/document/PDF/tdw-pgf-brochure.pdf) , or contact our team.

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## Did you know this perk?

When you buy a book at any Paradies Lagardère-owned airport bookstore, you have six months to finish it and bring it back (in decent condition) to a Paradies Lagardère location. When you do, you get half the price of the original purchase back. Awesome, right?



## Summer events in Ottawa & Area

*July 18-21 – Kemptville Live Music Festival.*

*August 2-3 - Ottawa International Busker Fest on Sparks street.*

*August 2-5 – Capital RibFest and Music City Festival at City Hall.*

*Aug 29-Sept. 2 – Gatineau Hot Air Balloon Festival at Parc La Baie.*

Wishing you a happy summer!

**Trillium Wealth Management**