



# RBC Investment Update

## February 2025



## It's a new year for new resolutions

The beginning of the year is a great time to reflect on the past and set goals for the future. In financial markets, a lot of things have changed over the past year.

- Central banks have started to cut interest rates.
- Inflation is returning to more normal levels.
- New political regimes have emerged.
- Strong returns in equity markets.

Looking ahead, you might wonder how you should plan for the upcoming year to ensure you are set up to reach your investment goals. In this quarter's Investment Update, we will look at five financial resolutions you can make to stay on track.

# 5 resolutions for successful investing

1



## Diversify your investment portfolio

Successful investing starts with a good mix of investments: savings and cash equivalents (e.g. money market funds, treasury bills and term deposits), fixed income (bonds) and equities (stocks). Cash equivalents provide stability, equities provide growth opportunities and fixed income can help mitigate the fluctuations that come with holding equities. Your advisor can help you allocate your investment dollars across different investments based on your time horizon, comfort with volatility and investment goals.

2



## Stay consistent, even if markets aren't

When markets fluctuate, the value of your investments may change quickly. This is where consistency counts. Keep calm, avoid sudden changes and continue to invest regularly. Over time, markets have consistently rewarded those who stay the course. For example, if markets drop but you invest the same amount as always, you'll actually be able to buy more mutual fund units for the same dollars. Those extra units will help raise your overall returns when markets turn around.



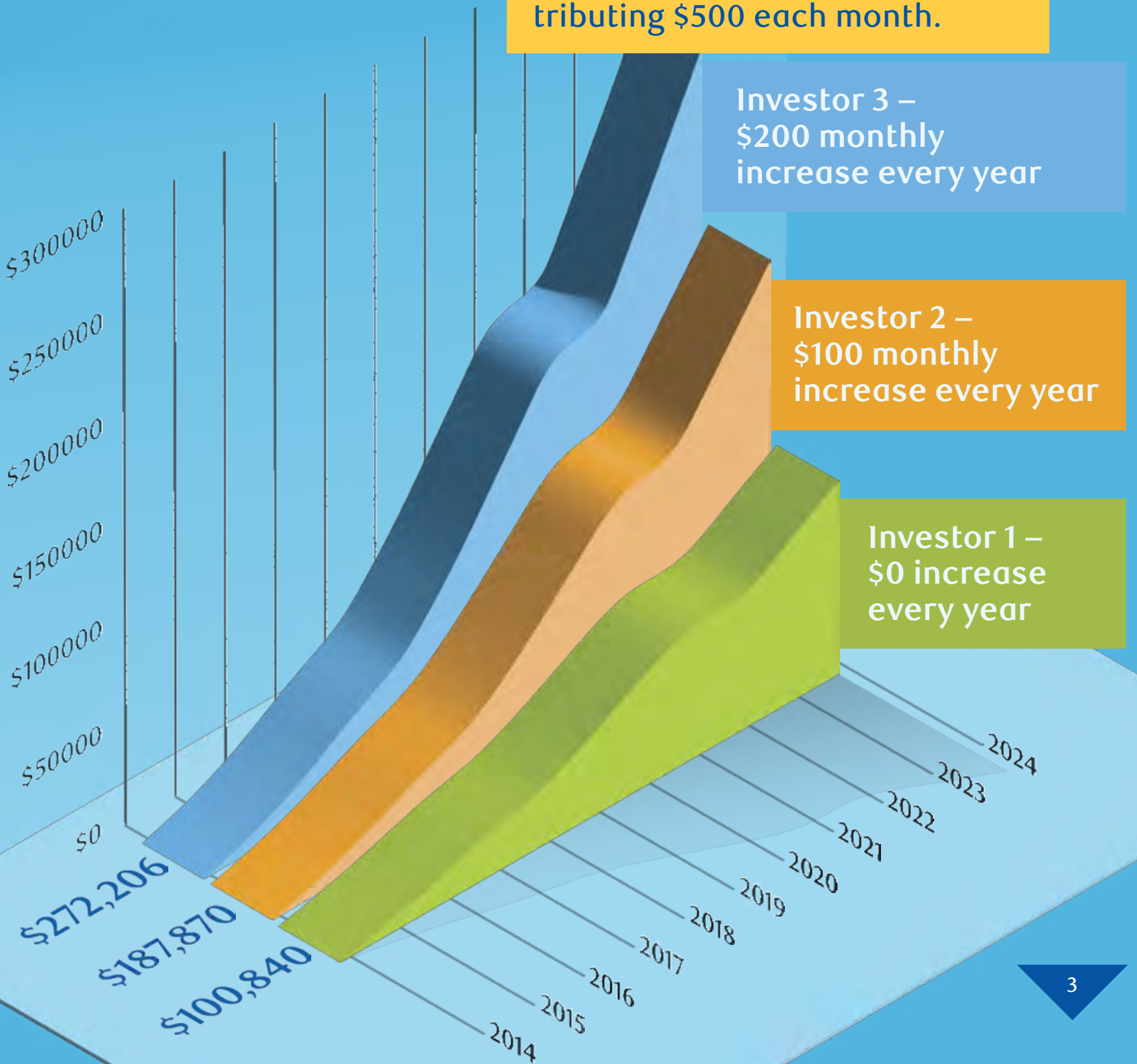
# 5 resolutions for successful investing (Cont'd.)



## Increase your monthly savings

Review your budget to see if you can increase your monthly savings this year. Adding \$100 or \$200 to your monthly contributions each year adds up. Let's explore how powerful these extra contributions can be.

Below, we show you three investors. They each begin investing in the Roytrin TTD Income & Growth Fund 10 years ago, contributing \$500 each month.



Investor 3 –  
\$200 monthly  
increase every year

Investor 2 –  
\$100 monthly  
increase every year

Investor 1 –  
\$0 increase  
every year

# 5 resolutions for successful investing

(Cont'd.)



## Get advice

Some people love doing their own investing and financial planning. However, many of us would prefer a professional to help us do it. A financial advisor can provide valuable perspective on your financial situation as you set goals and develop your investment strategy. They can also help you navigate through the many investment choices you have as an investor.



## Revisit your plan when your circumstances change

Major life events, whether positive or negative, can affect your investment planning and your cash flow needs. For example, a windfall or sale of a property may give you money that you won't need right away, so you can explore longer-term investments and tax-saving opportunities. A change in employment can increase or decrease the amount you have available for regular savings. Any time a major change comes up, review your plan and consider any adjustments that can be made to help you stay on course as you work towards your goals.



# Contact Us

At RBC, we have tools to help you select the most suitable investment products, based on your risk tolerance and your risk capacity.

If you would like more information about our investment products, please call RBC Royal Bank at 800-1RBC (1722) or West Indies Stockbrokers at 628-WISE (9473). We look forward to assisting you.



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