

Dear Clients and Friends,

Wealth and Retirement Planning

What does this actually mean to you?

As a follow up to our last letter titled "**Client Connection**" where we focused on the Life Planning phase, we will now highlight the importance of **Wealth** and **Retirement Planning**.

We hear a great deal from our industry about the importance of planning BUT what does this mean to investors... meaning you? In this issue, we will feature the subject areas in practical terms.

With nearly 3 decades of experience, my observation has been that most people don't know. This is NO fault of their own. The industry has evolved considerably since I started my career in the 90's. What used to be simply buying and selling stocks has developed into a much more comprehensive approach through proper planning. Nearly every day I have a conversation with individuals by way of referral or such. As I walk them through the process, they show such genuine interest, are keen to listen and learn because in reality, it is not something that has been explained to them in the past nor is it easily understood. Despite having an abundance of information through countless media outlets, it is still a mystery for many.

Here is my message:

A proper investment strategy is based on a proper wealth plan. In my view and in my experience, it is very difficult to establish an investment strategy UNTIL you have done a full discovery with a client, which in turn leads to a full plan. What does the plan tell us? Essentially, it lists out your net worth, your cost of living today, income today and how much you are spending. It takes certain assumptions into account (i.e.: rate of return, inflation, life expectancy, etc.) in order to forecast projections. **These are the basics.**

Once all of the information is gathered you now have your baseline. Now for the fun part (yes, I find this process fun). What are your **goals**, your **dreams** along the way (i.e. travel, renovations, new car, vacation home etc....) and how do we structure your plan to achieve these goals and dreams (i.e.: saving, spending, etc.) and finally, what does it all look like in the "end" meaning your **ESTATE** and what strategies we can put in place NOW to help plan for this stage of life. This will be the topic of a future letter.

Also keep in mind that a plan is **NEVER** completed once (life happens). It must be updated especially when there is a change in circumstances (material change) (i.e.: marriage, divorce, death, inheritance, loss of a job, birth of a new baby, the list goes on and on) which can lead to a significant change to your wealth.

It is also used as a beacon to help ensure we are on track, especially when we are experiencing difficult markets. This provides us with peace of mind since we have a reference point - a baseline which we can refer to over time. Am I OK? is the question and what can I do to ensure that I am on track? The second part of this process is of course developing your **Investment Strategy**. This will be included in our next letter.

Again, I want to thank you for your continued support our dear and valued clients. If you would like a review or if you need to update your plan, please do not hesitate to contact our offices. In the meantime, if you feel this would be useful to others, please feel free to pass it along. Our aim is to help.

Sincerely,

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