



7 Steps to a Prosperous Retirement

FREE REPORT

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Introduction:

Pre-retirement financial stress is common to most Canadians as they look ahead. The emergence of COVID-19 may have heightened that worry, but the principles behind building the best retirement possible haven't changed.

This special report from The Successful Investor offers you the seven best ways to build wealth for a prosperous retirement—the kind you've dreamt of and worked for your entire career. That includes building a sound investment portfolio to maximize your savings and provide you with income long after you've retired. We also guide you through the most-profitable use of Canada's tax-advantaged savings accounts. In addition, we steer you past the pitfalls of annuities and other investments we think you should avoid.

And finally as an added bonus, to lay the foundation for your retirement success, we've also included details on estate planning to let you share your investment success with those you love.

How to avoid pre-retirement stress syndrome

These days, more investors suffer from what you might call pre-retirement financial stress syndrome. That's the malady that strikes when it dawns on you that you don't have enough savings to be able to earn the retirement income stream you were banking on.

Some investors in this situation ask us if we can supply one last can't-miss trading idea that can make up for the shortfall in their savings (brokers sometimes refer to this as a "rescue stock"). This, of course, is unrealistic. If we could find stocks with that rare combination of low risk and high potential, why would we ever recommend anything else?

Aim in the opposite direction

In fact, if you're heading into retirement and are short of money, you should move your investing in the opposite direction: aim for safer investments, rather than taking one last gamble in the hopes of a big win.

Here are two practical solutions to a pre-retirement money shortage. The funny thing is that either one can improve your quality of life in retirement, in addition to your finances.

The first solution is to work longer. Put off retiring from your current position, or continue to work part-time. Or, find full-or part-time work in another field. To start, this can solve a common problem that many retirees fail to foresee: how hard it can be, and how much it can cost, to fill up all the free time that comes with retirement.

Many retirees admit that they fill this time by giving free rein to Parkinson's Law ("work expands to fill the time allotted for its completion,") Some find that minor tasks take over their lives, so they never get to tackle the more fulfilling projects that they've put off till retirement, such as learning another language, taking courses, organizing a stamp collection or whatever.

A part-time job, paid or volunteer, gets you out of the house and provides contact with other people. Many studies suggest these two fringe benefits can prolong your life and keep you healthy.

The second solution is to refine your spending. This is something you should begin before you retire. You start by doing a detailed study of how you spend your money now. Then, you analyze your findings to see what expenses you can cut or eliminate. This too can have fringe benefits, especially if it helps you break unhealthy habits.

For instance, a friend decided years ago that he could no longer afford to smoke cigarettes in retirement, but he couldn't bear the thought of quitting. So, he compromised with himself: He quit buying ready-made cigarettes (which he referred to as "tailor-mades") and switched to "roll-your-owns" (bulk tobacco and cigarette rolling papers). They were less heavily taxed and much cheaper.

The rigmarole of rolling his own immediately led him to increase the time between cigarettes, and this cut down his total nicotine intake. Eventually he quit smoking altogether, after having tried and failed many times during his working years.

Smoking is less common today, of course. But cutting out fast food can save the average Canadian anywhere from hundreds to thousands of dollars a year. In retirement, you'll have time for a cooking class or two, and soon you'll be able to cook better-tasting and healthier food than you can buy at any fast-food chain. The cost difference between home cooking and fast food can be substantial, and it's like tax-free income.

Turn frugality into a game

These two retirement tactics may come hard or easy to you, depending, in part, on your upbringing. People who come from humble circumstances often develop a degree of frugality and industriousness early in life. Finding part-time work while in school, and making every penny count, becomes a game for them.

It's easy to let frugality evaporate in mid-life, when money becomes more plentiful. But some find that if they return to frugality later in life, it's more fun than ever. It's a little like taking pleasure from a game that you haven't played since you were young.

Key point: Your enjoyment of, or distaste for, frugality is partly a matter of attitude. But that's under your control. Don't think of it as penny-pinching. Think of it as taking charge of a part of your life, so that more of your money goes to things you choose.

#1: Predict/estimate your retirement income needs

It's hard to figure out how much money you will have accumulated when you retire, and how much you'll need. But we can help.

Even the most seasoned expert can only estimate your investment income. It depends on how much and how long you save, your investment returns, RRSP/RRIF rules and so on. And, since you may only have a general idea of what you'll do when you retire, you don't really know how much you'll spend. A conservative estimate is more realistic than one that counts on too many optimistic projections.

Let's say you're 50 and you want to retire at 65. You have \$200,000 in your RRSP and expect to add \$15,000 to it in each of the next 15 years. To determine if this is enough to retire on, you need to make assumptions about investment returns and income needs.

- **What you can expect your portfolio to earn.** Long-term studies show that the stock market as a whole generally produces total pre-tax annual returns of 8% to 10%, or around 6% after inflation. To illustrate, let's assume a 6% yearly return, and disregard inflation. Your \$200,000 grows to \$479,312*, and your yearly \$15,000 RRSP contributions add up to \$370,088, for total retirement savings of \$849,400. (*Be sure to check your figures. There are many compound-return calculators available online.)

- **Balancing \$ in and \$ out.** If you continue to earn 6% a year, and you withdraw \$50,964 a year (6% of the \$849,400 in your RRSP at age 65), you can avoid dipping into capital until your mid-70s, when RRIF rules require larger withdrawals.

However, if you start taking money out faster, or earn lower returns, you may live long enough to run out of money. If you withdraw \$90,000 a year while earning 6%, the money you've accumulated will last just over 13 years. If you earn 5% but withdraw \$90,000 a year, your money will run out in just over 12 years.

Beware of getting caught in a vicious circle. Some investors, worried about their money eroding, or tempted by even greater gains, seek higher returns in riskier investments, such as high-risk junior stocks. In years when these volatile investments lose money, these investors have less capital for the following year. This can lead to a vicious circle of lower income and shrinking capital.

Key point: Instead of taking on extra risk, take the safe route to retirement planning. Save more now, work longer, or plan to spend less.

Retirement leaves you with lots of free time, and filling it costs money. But postponing retirement, or working part-time as long as you're able, can pay off in higher current income, more contentment, and greater long-term health and financial security.

#2: Build an investment portfolio to create way more wealth

When you try to pick a handful of stocks that will all beat the market, you really are asking a lot of yourself. No one has ever been able to consistently pick stock-market winners over long periods, even though many people devote their lives to it. But, that shouldn't surprise you. After all, if you could always guess right about the stock market, you could acquire ever-larger sums of money to invest, from your own profits and from lenders and investors.

Eventually you'd acquire control over a large proportion of all the money in the world. And nobody ever does that.

On the other hand, it's relatively easy to acquire a balanced, diversified portfolio of mainly high-quality stocks, spread out across the five main economic sectors. You'll still experience variations in your investment results. But you'll find that at the worst of times, you won't lose much by holding a portfolio answering that description. When times are good, this kind of portfolio will pay off nicely.

Start with one essential decision

The first thing you need to do is to decide how much of your money to put in equities (that is, stocks, and ETFs and mutual funds that invest in stocks), and how much to devote to fixed-return investments such as GICs, bonds and money-market instruments.

Some investors try to base this bond/stock split on how they expect these two to perform. This, however, requires the kind of foresight that no investor has. Far better to base the split on your own needs and on the characteristics of these investments.

For one thing, over long periods, your equity holdings are bound to produce higher profits for you than your fixed-return investments. That's because returns on equities are related to business profits, while returns on fixed-return investments are related to business interest costs. Business profits have to exceed business interest costs in the long run. Otherwise, everybody who owes money would go broke, and that's not likely to happen.

That's why most investors should hold a big part of their money in stocks, most of the time. However, returns on your stocks are sure to be more volatile than what you earn on fixed-return investments (that includes short-term bonds and money-market instruments). That's because returns on stocks are related to "a residual," as academic investors like to put it. The residual is the portion of gross profit that's left over after a company pays its interest costs.

This residual varies widely from year-to-year, and from company to company. Some companies go through periods of years when they fail to make enough money to pay their interest costs, and they go broke. That's why you want to invest in a portfolio of well-established companies, spread out across the five main economic sectors. A portfolio like that can absorb losses on a few poor performers, and still provide highly attractive returns over long periods.

Though fixed-return investments are less profitable than equity investments, they are also less volatile, so they help stabilize your portfolio's value. Shorter-term fixed-return investments are more stable and less volatile than longer-term issues. They can serve as a place to hold cash if you are unsure about your plans and do not want to commit the funds to the stock market. For that matter, when stock prices have dropped,

you can use your short-term fixed-return reserves for personal spending, to avoid having to sell stocks when prices are low.

The right split between equities and fixed-return varies widely from one investor to another. It depends on your financial circumstances and your temperament. If you're a young investor with a secure income, and you add regularly to your stock holdings, you may want to keep all your long-term savings in stocks. If you are retired or close to it, you'll probably want to hold some fixed-income investments.

Regardless of age, all investors should stay out of long-term bonds when yields on bonds are as low as today's.

How to take the next step—pick sectors

After you've decided what part of your savings to put in stocks, remember to spread it out across most if not all of the five main economic sectors. That way, you avoid overloading yourself with stocks that are about to slump simply because of weak industry conditions, or changes in investor fashion.

By diversifying across the sectors, you also increase your chances of stumbling upon a market superstar—a stock that does two to three or more times better than the market average. These stocks come along every year. By nature, their appearance is unpredictable; if you could routinely spot them ahead of time, you'd quickly acquire a big chunk of all the money in the world. As mentioned earlier, nobody ever does that.

Speaking very generally, stocks in the Resources & Commodities and the Manufacturing & Industry sectors are apt to expose you to above-average volatility, while those in the Finance and Utilities sectors involve below-average volatility.

Shares of many finance-sector firms have been unusually volatile in the past few years because their industry is changing and expanding. However, profits of companies in Finance and Utilities tend to be more stable than profits in Resources or Manufacturing companies.

Consumer sector stocks are apt to fall in the middle, between the highly volatile Resources and Manufacturing companies, and the more stable Finance and Utilities companies. Most investors should have investments in most if not all of these five sectors. The right proportions for you depend on your goals, temperament and circumstances.

Hold the right number of stocks at the right time

The right number of stocks for you to own depends in part on where you are in your investing career. It makes sense that you should have fewer stocks when you start out. You add more stocks as the value of your portfolio grows and your investment knowledge expands.

You need to put an upper limit on the number of stocks you own. Beyond that limit, you may lose track of the stocks in your portfolio. You may fail to sell when you should, or fail to buy a promising stock because you think you already own it.

- **The beginning investor:** It's good to start investing early in your working career, when your income is low and you have only modest amounts of money to invest. Investing money from a paycheque will focus your attention and give you real-time investing experience. Bank-run discount brokers generally charge as little as \$10 commission per trade. You can invest a few hundred dollars at a time without losing too high a percentage of your stake to brokerage commissions.

- **Pick at least one stock from each of the five sectors.** You should plan to invest in a minimum of four or five stocks right from the beginning. Pick one from each of the five main economic sectors (Manufacturing & Industry; Resources; Consumer; Finance; and Utilities). If you can't manage to own one from each of the five when you start out, try to cover as many of the sectors as you can.

You can buy them one at a time, starting with your most conservative choices. You can stretch your initial buying out over a period of months or even years. After that, you can gradually add new stocks to your portfolio as funds become available, taking care to spread your holdings out as we recommend.

- **As the value of your portfolio rises, add new stocks.** When your portfolio reaches the \$100,000 to \$200,000 range, you should aim for perhaps 15-20 stocks. If you're married, it's best to treat your family holdings as one big portfolio, even if you and your spouse keep your money separate. That way, you can be sure you aren't operating at cross purposes, or investing too much of the family fortune in one area.

- **Our three-part investment advice is key.** When you get above \$200,000 or so, you can gradually increase the number of stocks you hold. When your portfolio reaches the \$500,000 to \$1 million range, 25 to 30 stocks is a good number to hold.

Of course, you may fall a few stocks below that range, or go a few above it, particularly when you're making changes in your holdings. That won't matter if you follow our three-part advice.

Key Point: Our upper limit for any portfolio is around 40 stocks. Any more than that and stocks can begin cancelling each other out. Even your best choices will have little impact on your personal wealth—and your retirement.

#3: Prepare for your retirement with a Tax-Free Savings Account

The TFSA Contribution Limit

The federal government first made the Tax-free Savings Account (TFSA) available to Canadian investors in January 2009. These accounts let you earn investment income—including interest, dividends and capital gains—tax free.

You can now contribute a maximum of \$6,000 to your TFSA each year. However, if you have not contributed in the past, or did not meet maximum contributions in any given year, you can catch up on unused contributions. (Maximums were \$5,000 per year from 2009 to 2012, \$5,500 per year from 2013 to 2014, \$10,000 in 2015, and \$5,500 in 2016, 2017 and 2018. The limit then rose to \$6,000 in 2019 and 2020.)

That means that if you hadn't contributed yet (and were 18 years or older in 2009) you could contribute up to \$69,500 in 2020.

Use your TFSA to complement your RRSP.

Generally speaking, your TFSA can hold the same investments as an RRSP. This includes cash, mutual funds, publicly traded stocks, GICs and bonds.

Contributions are not tax deductible, as they are with an RRSP. However, unlike withdrawals from RRSPs (or withdrawals for RRIFs to which most RRSPs are converted), withdrawals from a TFSA are not taxed. In this respect, RRSPs and TFSAs are mirror images of each other in the way they impact your taxes.

This makes the TFSA a good vehicle for more short-term savings goals, like as part of saving up for a home purchase. If funds are limited, you may need to choose between RRSP and TFSA contributions. RRSPs may be the better choice in years of high income when you're in the top tax brackets, since RRSP contributions are deductible from your taxable income. In years of low or no income—such as when you're in school, beginning your career or between jobs—TFSAs may be the better choice.

Investing in a TFSA in low-income years will provide a real benefit in retirement. When you're retired, you can draw down your TFSA first, incurring zero tax liabilities. After that, you can begin making taxable RRSP withdrawals.

Hold low-risk investments in your TFSA

We think you are best to hold lower-risk investments in your TFSA. That's because you don't want to suffer big losses in these accounts. If you do, you can't use those losses to offset capital gains, as is the case with taxable (non-registered) accounts. You'll also lose the main advantage of a TFSA: sheltering gains from tax. You won't have gains to shelter if the value of your investments falls.

You can hold U.S. stocks in your TFSA, but Canadian shareholders pay a 15% withholding tax on dividends from U.S. stocks. In most cases, if you hold the stocks outside your RRSP, you can get a Canadian income tax credit to offset that tax. If you hold U.S. or foreign stocks in an RRSP, the withholding tax doesn't apply. However, note that if you hold U.S. stocks in a TFSA, you can't get back the withholding tax.

If you are just starting a TFSA, you likely won't have enough funds to build a diversified portfolio within these accounts. That's why you are best to hold lower risk and low-fee equity investments. These include interest-bearing investments, like high-yield savings accounts or exchange-traded funds (ETFs), which give instant diversification.

#4: Follow these 3 simple but powerful strategies to maximize your RRSP

Registered Retirement Savings Plans, or RRSPs, are the best-known and most widely used tax shelters in Canada.

RRSP contributions are tax deductible. You only pay taxes on the money you have contributed to your RRSP, and the growth in the value of investments you hold in the plan, when you take the money out. However, RRSP tax advantages come at a cost. RRSP withdrawals are taxed as ordinary income. In an RRSP, you don't get any benefit from the lower rate of tax on capital gains (half the rate you pay on ordinary income). Also, the dividend tax credit doesn't apply to dividend income you get in an RRSP.

Here are three powerful strategies you can use to help overcome these drawbacks and make the most of your RRSP tax shelter:

RRSP Strategy No. 1: *Stick with conservative investments in your RRSP:* It's a potentially costly mistake to hold speculative investments in your RRSP. That's because these investments expose you to greater risk of loss. You are bound to lose money sometimes in your investing career. It's best to arrange your investments so that your losses take place outside your RRSP.

When you lose money in your RRSP, you have an immediate loss in your net worth, but that's not all. You also miss out on the tax-deduction value that you'd get if the loss occurred outside your RRSP. When you lose money in your taxable account, outside your RRSP, you can use the loss to offset taxable capital gains.

Moreover, a loss in your RRSP also deprives you of the opportunity for tax-free compounding that the money would have enjoyed within your RRSP. That's particularly costly.

After as little as seven years in an RRSP, the ability of an RRSP contribution to grow and compound free of tax may be worth as much as your initial contribution itself. That's why RRSPs are a bad place for aggressive investments of any kind. The potential damage that these investments can do to the tax-shelter value of your RRSP is just too costly.

RRSP Strategy No. 2: *Use your RRSP to defer mutual fund taxes:* Holding good-quality stocks comes with a built-in tax shelter value. That's because you only pay capital gains taxes on stock market gains when you sell at a profit. But you lose some of this advantage with mutual fund investing. That's because mutual funds have to buy and sell more often than you do, to raise money for departing investors or to invest cash from new fund buyers.

At year end, mutual funds distribute any net capital gains (after deducting any capital losses) they have made during the year, to their unitholders.

If you hold your mutual funds outside your RRSP, you have to pay capital gains tax on those capital-gains distributions. That's true even if the fund made the gains years earlier, before you invested in it. But if you hold your mutual funds in an RRSP, you get to defer taxes on those capital gains until you take the money out of the RRSP.

RRSP Strategy No. 3: *Confine early RRSP withdrawals to years of little or no income:* Making early withdrawals from your RRSP only makes sense, if ever, in a year of low income, which puts you in a low income-tax bracket, and you have exhausted all other sources of cash. That may happen in years when you are ill, or unemployed, or on sabbatical, or on maternity/paternity leave.

Key point: RRSPs are just one of several investment tools. Before devoting too much of your net worth to an RRSP, investigate other registered savings plans such as RESPs and TFSAs.

#5: Use these 4 tips to make the most of your RRIF conversion

If you have one or more RRSPs (registered retirement savings plans), you'll have to wind them up at the end of the year in which you turn 71.

When you do, you'll have three main retirement investing options:

1. You can cash in your RRSP and withdraw the funds in a lump sum. In most cases, this is a poor option since you'll be taxed on the entire amount in that year as ordinary income.
2. You can purchase an annuity.
3. You can convert your RRSP into a RRIF (registered retirement income fund).

RRIFs are the best options for most investors

Converting to a RRIF is the best retirement option for most investors. That's because RRIFs offer more flexibility and tax savings than annuities or a lump-sum withdrawal.

Like an RRSP, a RRIF can hold a range of investments. You don't need to sell your RRSP holdings when you convert—you just transfer them to your RRIF.

When you hold a RRIF, you must withdraw a minimum each year and report that amount for tax purposes (you may withdraw amounts above the minimum at any time). The Canada Revenue Agency sets your minimum withdrawal for each year according to a schedule that starts at 5.28% of the RRIF's year-end value at age 71, reaches 6.82% at age 80, and levels off at 20.00% at age 95. (Note—Due to the COVID-19 outbreak, the Canada Revenue Agency has cut the withdrawal rates by 25% for 2020.)

Here are four tactics for making the most of your tax savings when you convert your RRSP to a RRIF:

Tip 1. Use a younger spouse's age to set a lower minimum withdrawal: For example, if your spouse is 65 when you turn 71, then the minimum withdrawal set by the Canada Revenue Agency is 4.00%, rather than 5.28%. The rate increases yearly until it reaches 5.28% when your spouse turns 71. It then follows the normal schedule, reaching 6.82% when your spouse reaches 80, and levelling off at 20.00% at age 95.

Tip 2. Stick with late-in-the-year payments: You start making withdrawals from your RRIF in the year following the year in which the RRIF is established. For example, if you open a RRIF in 2020, you have to make your first withdrawal by December 31, 2021.

You can receive RRIF payments on any schedule, though most investors receive them either monthly or yearly. Unless you need monthly payments to live on, it's best to request only one payment per year, near year-end, to prolong your tax deferral. For practical purposes, however, set a date such as December 15 to allow for delays. Just contact the broker or institution that holds your RRIF to set up your yearly payment. (If you are a portfolio management client of Successful Investor Wealth Management, we can arrange this for you.)

Tip 3. Withdraw shares instead of cash: Keep in mind that you don't need to make your minimum withdrawal in cash. Instead, you may make an "in-kind" withdrawal of shares instead of cash.

Tip 4. Name a RRIF beneficiary: Assets in a RRIF automatically pass on to your beneficiaries in the event of your death. If you name your spouse or a financially dependent child under 18 as beneficiary, assets are passed on tax-free to their RRIF or RRSP.

Account for withholding tax when withdrawing more than the minimum requirement

Note that when you make a RRIF withdrawal above the minimum requirement, the Canada Revenue Agency requires your financial institution to withhold tax at the time of withdrawal. Tax is withheld at the rate of 10% for amounts up to \$5,000, 20% up to \$15,000 and 30% on \$15,001 and up.

The tax on your RRIF withdrawal may be more or less than the amount withheld. You'll have to report the full withdrawal as income and pay tax at ordinary rates. But you'll get a credit against taxes owing for the tax that is withheld.

#6: Avoid the hidden risks of annuities

Depending on your age, your investment experience, the time you want to devote to your investments, your access to impartial advisors, your desire to leave an estate to your heirs, and other factors, an annuity may be a good choice for part of your assets.

There are basically three types of annuities:

Term-certain annuities are payable to you, or your estate, for a fixed number of years. Your estate will receive the payments even if you die. You could out-live this type of annuity.

Single-life annuities are payable to you as long as you are alive. These annuities may come with a minimum number of years of payments. If you die while the minimum payment period is still underway, future payments would go to your estate.

Joint and last survivor life annuities are payable as long as you, or your spouse, are alive.

One key drawback to annuities right now is that annuity rates are closely linked to the overall level of interest rates, and interest rates are still near historic lows. In addition, annuities have no liquidity. If interest rates and inflation were to move up, your annuity payments would remain fixed and you would lose purchasing power, and you would have no way to re-arrange your portfolio. This is why we generally advise against investing in annuities. For the same reason, we advise against buying long-term bonds.

We generally advise investors to look at other alternatives to annuities. Many investors find they are able to generate returns that beat current annuity rates over time, if they invest conservatively in the kinds of high-quality investments that we recommend, mainly stocks, well balanced across the five economic sectors.

Part of that return will come in the form of dividends from Canadian stocks, which qualify for the dividend tax credit and are consequently taxed at a lower rate than annuity or pension payments. The remainder of the return would come in the form of capital gains, which are taxed at half the rate of annuity or pension payments and are only taxed in the year when you sell.

#7: Take care of your loved ones with a secure and profitable estate

As you proceed with retirement investing, it's always good to have clear plans in place—and keep them up to date as your circumstances change. Here are two tips you can use to ensure that you put the least possible stress on your loved ones, and make the most of the investments you leave to your heirs:

1. Have a clear but flexible financial contingency plan: This will let someone you trust take charge of your finances if necessary. However, it's important to focus on finding someone you trust thoroughly, and to give that person as much latitude as possible.

The alternative—leaving fixed instructions—introduces a random element that can only hurt you. After all, fixed instructions (such as “If I get sick, convert all my holdings into T-bills”) won't add to your wealth. But they may turn out to be wholly inappropriate. The person you put in charge will have to follow your instructions, regardless of the consequences.

2. As you grow older, consider your heirs when making investment decisions: If you have substantially more money than you'll need for the rest of your life, and you plan to leave the excess to your heirs, it makes sense to invest at least part of your legacy on their behalf. That is, invest with their longer-time horizon in mind, not yours.

For instance, if your heirs are in their 40s, your retirement plan should involve holding at least part of your portfolio in a selection of investments that would suit investors in their 40s. Of course, you'd still want to invest conservatively. But you would take into account the many years that 40-somethings have until they reach retirement age.

For instance, if your retirement investing includes holding your money in T-bills for the last few years of your life, it will produce a minimal return after taxes. In fact, you may actually lose money after accounting for taxes as well as inflation.

After your death, it may take months or longer to settle your estate. After that, your 40-something heirs may need time to put your legacy to work, especially if they are inexperienced investors. They may have passed 50 by the time they get around to investing in a way that's appropriate to their age.

Missing out on, say, three years of even moderate returns can take a big bite out of the funds they'll have a few decades later, when it's their turn to retire.

Key point: Having a fail-proof contingency plan in place for your estate is more than a financial plus. It also gives you a sense of satisfaction and peace of mind. The sooner you do it, the better you'll feel.

Conclusion

It's time to follow these **7 Steps to a Prosperous Retirement**. They give you the greatest likelihood of profiting when markets are up, and the best chance of resisting market downturns. They also focus on bringing an additional measure of safety to your investment portfolio.

A key part of creating your investment success is following our three-part investing approach.

1. Invest mainly in well-established, mainly dividend-paying companies.
2. Spread your money out across the five main economic sectors (Manufacturing & Industry; Resources & Commodities; Consumer; Finance; and Utilities).
3. Avoid or downplay stocks in the broker/media limelight.

These three safeguards will tend to limit your losses at the worst of times. But over long periods, they also let you profit nearly automatically.

About TSI Network

With over four decades of experience as an advisor, commentator, editor and publisher, Pat McKeough has a long record of determining which stocks are bound to reward investors most.

Over the past two decades he has been the editor and publisher of a growing series of investment newsletters through *TSI Network*. Pat also offers two investment advice services, *Inner Circle* and the advanced *Inner Circle Pro*. Since 1999, he and his team have put his investment approach to work for private clients in his Successful Investor Wealth Management business.

His philosophy is anchored in safety and a balanced portfolio to generate accelerating gains for subscribers and clients. TSI Network now publishes seven newsletters for every kind of investor:

1. [**The Successful Investor**](#)—Pat’s flagship advisory continues to be a beacon for Canadian investors seeking growing gains and reduced risk with the best Canadian stocks.
2. [**Power Growth Investor**](#)—If you like the idea of “a conservative approach to aggressive investing”, this advisory has Canadian and U.S. stocks with escalating growth potential.
3. [**Wall Street Stock Forecaster**](#)—Your portfolio is much stronger with at least 20% in U.S. stocks—and this special advisory covers the 70 best U.S. stocks for Canadians.
4. [**Canadian Wealth Advisor**](#)—A ‘safety-first’ advisory offering you the best conservative strategies based on well-established Canadian dividend stocks, ETFs and REITs.
5. [**TSI Dividend Advisor**](#)—In this advisory, our exclusive Dividend Sustainability Ratings® will change the way you look at dividend stocks—and the way you invest in them.
6. [**Spinoffs & Takeovers**](#)—If you’d like “the closest thing to a sure thing in investing,” this advisory on spinoffs and other special opportunities is utterly unique.
7. [**The Best ETFs for Canadian Investors**](#)—This ground-breaking publication shows you how to get the best results with ETFs as these investments explode in popularity.

In 2002, Pat founded his *Inner Circle*, offering investors more personal attention and interaction with their investments, plus access to his four original publications. Membership gives you the opportunity to ask Pat your personal investment questions and includes his commentaries and answers to questions posed by other Inner Circle Members. In 2017 he launched *Inner Circle Pro*, an advanced group with the same privileges that receives all seven of his newsletters.

Through *Successful Investor Wealth Management*, Pat and his investment team manage over \$700 million for individual Canadian investors. This service clearly reflects his philosophy—free of comprising ties to outside brokerages, with no hidden costs or commissions, the team charts an independent course on behalf of our clients. For the past 17 years the portfolios they manage for clients have generated an uncommonly high annual average return.

You will find more information on all of these services at www.tsinetwork.ca

Successful Investor Wealth Management

Pat McKeough offers personal portfolio management advice to a number of individual investors, his Successful Investor Wealth Management clients.

Before becoming our clients, many followed Pat's advice through our investment newsletters. Others were referred to us by satisfied portfolio management clients. All benefit from the fact that this service is free of the conflicts of interest that distort so many other sources of investment advice.

A strong team of experts contribute an enormous amount of time and research to the Successful Investor Wealth Management service. But Pat personally approves every transaction in every portfolio.

If you'd like to know more about this unique portfolio management service, please call **1-888-292-0296**

