

January 2026

Dear Valued Client,

As a new year unfolds and winter's quiet strength surrounds us, we hope this message finds you energized by fresh beginnings and inspired by the possibilities ahead. The start of a new year offers a powerful moment to reflect, refocus, and renew our commitment to the goals that matter most. On behalf of the CANFIN Client Care Team and your Advisor, we are honored to support you with timely financial insights and forward-looking guidance as you continue your journey toward lasting financial independence, resilience, and peace of mind.

Still Mostly a Buyer's Market Across Ontario for Real Estate

There's encouraging news for Canadians considering a first or second home purchase. Across Ontario, Hamilton, and the GTA, the sales-to-new-listings ratios are universally low, trending well below balanced levels, reflecting a muted buyer activity due to rates, affordability, and economic caution. In these conditions, buyers have a little more negotiation power returning to them in early 2026, while sellers must price more strategically and expect longer listing periods. The table below illustrates a cross-section of house prices across Canada:

Average Home Price (Year over Year) in Select Cities & The National Average in Canada						
Period	Vancouver	Calgary	Toronto	Montreal	Halifax	Canada Average
Dec-25	\$1,114,800	\$553,900	\$942,300	\$573,300	\$543,000	\$673,335
Dec-24	\$1,166,900	\$572,500	\$1,005,900	\$541,600	\$532,000	\$674,235
% Change	-4.46%	-3.25%	-6.32%	5.85%	2.07%	-0.13%

Source: CREA – The Canadian Real Estate Association

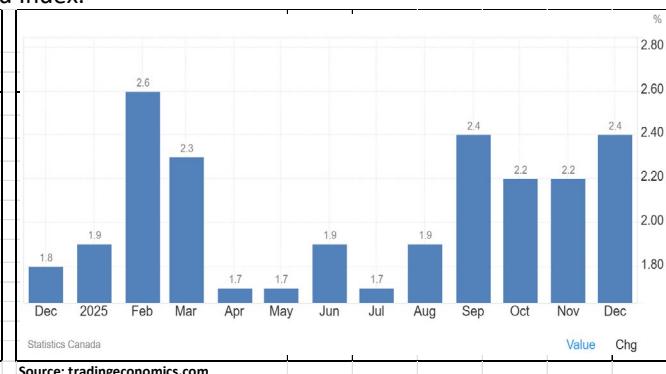
Economic Overview & Market Performance

Investment markets performed strongly in 2025, more so than many forecasters expected a year ago. Despite some significant bouts of volatility, the trend was steadily upwards for stocks, with most major North American indices hitting record highs late in December. Better-than-expected economic performance and solid corporate profits in the U.S., Europe, Japan, and Canada helped steer markets through considerable external noise. Interest rate cuts were another plus.

Fixed income markets also gained. Globally, including the U.S. bonds benefited from U.S. Federal Reserve rate cuts and a resilient economy that boosted corporate profits. In Canada, fixed income returns were more muted but remained positive, as measured by the FTSE Canada Universe Bond Index.

As at December 31, 2025	Simple Returns	Compound Annual Returns					
		3-MONTH	1-YEAR	3-YEAR	5-YEAR	10-YEAR	5-Year STD DEV
*Source: Stat. Canada, MSCI, FTSE, & Morningstar							
Inflation (one month lag)			2.22	2.41	3.73	2.67	1.46
Canadian Fixed Income Index			0.60	2.69	4.05	2.78	1.85
Morningstar Canada 30 Day T-Bill	0.60	2.69	4.05	2.78	1.85	0.57	0.57
FTSE Can. Overall Short-Term Bond	0.63	2.88	4.20	2.83	1.96	2.53	
FTSE Canada Universal Bond	-0.32	2.64	4.51	-0.35	1.89	6.14	
FTSE World Govt. Bond (Hedged to CAD)	0.22	1.96	2.98	-1.50	0.90	4.83	
Equity Markets Index							
Canadian Equity (MSCI Canada)	6.25	30.94	22.19	16.67	12.73	12.83	
U.S. Equity (MSCI USA) CAD	0.90	12.23	23.72	15.55	14.64	13.51	
International Equity (MSCI EAFE) CAD	3.35	25.70	18.28	11.08	8.57	12.15	
Emerging Markets (MSCI Emerg. Mkt)CAD	3.18	27.30	16.85	5.73	8.27	12.99	
Exchange Rate \$1.00US buys \$1.3725CAD							

Source: DFA Web



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Your Financial Roadmap for the Start of 2026 using Wealth Management 360°

With RRSP season underway and tax time approaching, our advisory team at CANFIN, is here to help you begin 2026 with clarity, confidence, and momentum. Below are the key themes and opportunities to keep in mind throughout the first quarter of the year.

Make the Most of RRSP Season

The first 60 days of the year offer an important window to optimize your RRSP strategy. This is an ideal time to:

- ✓ Reduce your taxable income for 2025
- ✓ Strengthen long-term retirement savings
- ✓ Explore whether an RRSP, TFSA, or FHSA (for first-time homebuyers) best aligns with your goals

If you're unsure which option is right for you, our team is here to provide personalized guidance.

Prepare Early for the 2025 Tax-Filing Season

Tax time doesn't need to be stressful. Organizing now helps avoid missed credits and last-minute pressure. Key documents to gather include:

- ✓ T4, T5, RRSP contribution receipts, and investment tax slips
- ✓ Tuition or education documents for dependents and charitable donation receipts
- ✓ Capital gains/loss summaries

If you're uncertain about which documents you need, you can refer to the attached Personal Tax Organizer.

Review Your Investment Strategy for 2026

The new year is the perfect opportunity to ensure your portfolio remains aligned with your goals and comfort level.

During Q1, consider:

- Reviewing/rebalancing your portfolio to manage risk
- Updating retirement projections
- Exploring opportunities while ensuring your strategy supports long-term objectives

A portfolio review with your Advisor can help you stay on track and confident in your financial direction.

Refresh Your Financial Plan for the Year Ahead

Life evolves—and your financial plan should evolve with it. If you experienced career changes, family milestones, new responsibilities, or income shifts in 2025, now is the ideal moment for a comprehensive plan refresh.

If you'd like support with any of these topics—or simply want to discuss your goals for 2026—we would be delighted to connect with you.

Lastly, on behalf of your wealth advisor, we thank you for your continued trust, loyalty, and partnership and look forward to supporting you throughout the year.

Sincerely,



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