CANFIN
WEALTH MANAGEMENT

SUMMER 2026 CLIENT UPDATE

Market Insights | Real Estate | Financial Planning

Summer has arrived, and Canadians can enjoy longer days, family gatherings, travel opportunities, and time to recharge. At CANFIN, we welcome this season of reflection, balance, and renewed perspective. Mid-year is also an excellent time to evaluate tax-saving opportunities, charitable giving strategies, income-splitting options where appropriate, and year-end planning opportunities before deadlines approach.

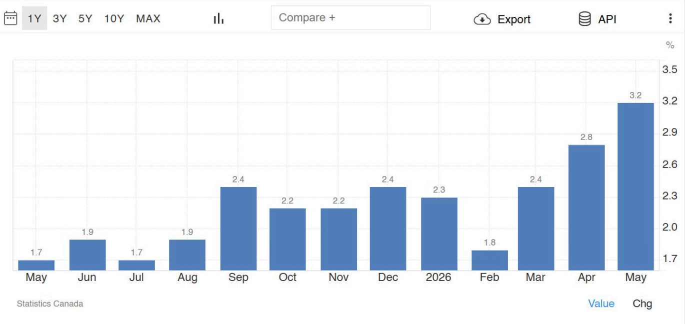
It is also a natural time to review your financial progress—to ensure your plan remains aligned with your goals as markets, tax rules, interest rates, and life circumstances continue to evolve. Whether your focus is retirement, wealth accumulation, income planning, tax efficiency, or preserving a lasting family legacy, regular reviews help keep your financial plan aligned with your evolving goals and circumstances.

ECONOMIC OVERVIEW & MARKET PERFORMANCE

The first half of 2026 reminded investors that diversification remains one of the most effective risk-management tools. In Canada, economic growth moderated during the first half of 2026 amid slower consumer spending and global uncertainty, while the Bank of Canada maintained its policy rate at 2.25%. Despite these challenges, the S&P/TSX Composite reached new highs as shown below. Canadian fixed income delivered positive income-oriented returns as bond yields stabilized.

While the outlook remains constructive, investors should continue to expect periods of volatility stemming from inflation concerns, geopolitical developments, trade negotiations, and fluctuating energy prices.
U.S. equities remained among the stronger-performing developed markets, while international developed markets (EAFE) delivered mixed results, as slower European growth and geopolitical uncertainty tempered returns. Emerging markets also experienced divergence, with technology-linked Asian economies outperforming while commodity-importing nations faced headwinds from higher energy costs.

As at June 30th, 2026	Simple Returns	Compound Annual Returns				
INDEX (In Canadian Dollars)*	%	%	%	%	%	5-Year
*Source: Stat. Canada, MSCI, FTSE, & Morningstar	3-MONTH	1-YEAR	3-YEAR	5-YEAR	10-YEAR	STD DEV
Inflation (one month lag)		3.2				
Canadian Fixed Income Index						
Morningstar Canada 30 Day T-Bill	0.54	2.38	3.63	3.01	1.94	0.49
FTSE Can. Overall Short-Term Bond	1.19	3.13	5.02	2.25	2.1	2.59
FTSE Canada Universal Bond	2.01	3.46	4.42	0.80	1.71	6.14
FTSE World Govt. Bond (Hedged to CAD)	0.71	0.64	2.14	-1.00	0.86	5.01
Equity Markets Index						
Canadian Equity (MSCI Canada)	7.79	31.95	23.34	14.57	12.23	12.44
U.S. Equity (MSCI USA) CAD	17.2	26.73	23.55	16.01	16.52	13.63
International Equity (MSCI EAFE) CAD	12.66	25.01	19.18	12.05	10.63	11.99
Emerging Markets (MSCI Emerg. Mkt)CAD	26.11	49.21	25.92	10.15	11.05	16.36
Exchange Rate $1.00USD Buys $14195CAD						



Looking ahead to the second half of 2026, we remain cautiously optimistic. Global growth continues, supported by healthy labour markets, consumer resilience, and ongoing technology investment. However, investors should expect periods of volatility stemming from energy-price fluctuations, inflation concerns, geopolitical developments, and trade negotiations. For Canadian investors, a balanced portfolio remains prudent—combining quality equities, dividend-paying companies, select global growth opportunities, and high-quality fixed income. Historically, long-term investors have often benefited from maintaining diversified portfolios and remaining focused on their financial plans

REAL ESTATE UPDATE

Housing Affordability Remains A Challenge For Many Canadians

While housing conditions have improved modestly compared to the peak affordability pressures of recent years, homeownership remains difficult for many Canadians—particularly in Ontario. Higher mortgage rates, elevated home prices, and the growing gap between incomes and housing costs continue to strain household budgets, even as some markets have become more balanced. Nationally, housing activity remains subdued, with buyers benefiting from increased inventory and greater negotiating power in many regions.

Across Ontario, affordability challenges remain most pronounced in the Greater Toronto Area and surrounding urban centres, where housing costs continue to consume a significant portion of household income. While softer demand, increased listings, and selective price declines have improved conditions for prospective buyers, many first-time purchasers continue to face hurdles related to down payments, financing qualification, and monthly carrying costs. The table below illustrates house prices across Canada:

Average Home Prices (Year over Year) in Select Cities & The National Average in Canada

Period	Vancouver	Calgary	Toronto	Montreal	Halifax	Canada Average
May-26	$1,100,700	$573,000	$946,500	$593,400	$572,700	$702,079
May-25	$1,173,100	$583,500	$1,014,300	$578,900	$569,500	$691,197
% Change	-6.17%	-1.80%	-6.68%	2.50%	0.56%	1.57%
Source: CREA National Statistics; May 2026.						

In Ontario, sales remain well below long-term averages, inventories are elevated, prices are down mid-single digits year-over-year, and months of inventory remain above historical norms—conditions that have shifted negotiation power toward buyers. Nationally, home sales have been subdued and prices modestly lower year-over-year, with CREA's sales-to-new-listings ratio hovering in balanced territory.

This Year, Strengthen The Financial Foundations That Matter Most

At CANFIN Wealth Management, we believe financial planning is about more than investments. It is about helping you make informed decisions at every stage of life—whether you are building wealth, approaching retirement, or creating a legacy for future generations. Through our CANFIN 360° approach, we help ensure every aspect of your financial life works together to support your goals.

Working Canadians & Families

Build Stability, Flexibility, And Confidence

- Review cash flow, savings, and spending habits
- Build and maintain an emergency reserve
- Manage debt and mortgage obligations effectively
- Maximize RRSP, TFSA, and RESP opportunities
- Protect your family with appropriate insurance coverage

Pre-Retirees

Ensure Retirement Readiness

- Assess retirement readiness and income needs
- Optimize CPP, OAS, pensions, and savings
- Review tax-efficient retirement strategies
- Project future healthcare and lifestyle costs
- Develop a sustainable income plan
- Prepare for life's expected and unexpected transition

Retirees

Maintain Independence And Protect Your Legacy

- Monitor retirement income sustainability
- Review tax-efficient withdrawal strategies
- Manage investment risk and cash-flow needs
- Update estate plans
- Explore wealth-transfer opportunities for family
- Ensure your plan continues to reflect your wishes and values

EXPERIENCE THE CANFIN 360° DIFFERENCE

- Integrated planning across all aspects of your financial life
- Confidence to focus on life—not financial uncertainty
- Fiduciary advice aligned solely with your goals
- Ongoing reviews and stress-testing as markets and life evolve

Families should also periodically review powers of attorney, wills, beneficiary designations, and estate plans to ensure they continue to reflect their wishes. If the topics in this newsletter raise questions—or opportunities—we invite you to schedule a review with your CANFIN Wealth Advisor to ensure your financial roadmap remains aligned with your goals.

With sincere appreciation,

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