



## Planning ahead pays dividends: how Canadians in and approaching retirement can build resilience against inflation and instability

*Despite rising cost of living and market volatility, Canadians remain optimistic about retirement thanks to having a financial plan*

**TORONTO, June 13, 2023** – Fidelity Investments Canada ULC (Fidelity) today released the [2023 Fidelity Retirement Report](#), providing financial advisors and investors insights into the latest retirement trends and steps they can take to better prepare for and live in retirement.

The 18<sup>th</sup> edition of this report offers analysis on both long-standing factors we have been tracking for nearly two decades as well as topical factors, like inflation, housing, interest rates and market volatility – and how these are impacting retirement planning. The findings reaffirm that a financial plan and the value of professional advice remain an effective all-weather solution for Canadians approaching and in retirement, and especially so under today’s stressful market conditions.

### Key findings:

- Canadians are feeling less optimistic about retirement. In 2018, 80% of pre-retirees and retirees felt positive about their outlook in retirement. This number dropped to 73% in 2023, with the rising cost of living being the most cited obstacle holding them back from retiring.
- As a result of the ongoing cost of living crunch, 42% of Canadians report saving less compared to last year.
- 50% of Canadians report that they are only investing in safe assets, which could have an unintended consequence of diminishing their retirement income over the long term. This represents a 10-percentage point increase over last year.
- On the other hand, Canadians who have a written financial plan relative to those who do not have one report feeling significantly better prepared financially (91% vs 58%), emotionally (85% vs 69%), socially (84% vs 69%) and physically (88% vs 73%).
- While Canadians are saving for a range of priorities, those born outside of Canada are more likely to prioritize saving to support family members.
- Of those who have a written financial plan, 82% worked with a financial advisor to build the plan. 64% of pre-retirees with an advisor report having peace of mind that their financial goals are on track, compared to 34% for those without an advisor.
- 28% of Canadians have a written plan – which means many have yet to take advantage of this helpful tool. Quebeckers, at 33%, are the most likely have a written financial plan – and accordingly, at 79%, they have the most positive outlook on retirement.

“By getting to work on a financial plan for retirement, Canadians can find some hope amid persistent negative headlines. Groceries, energy bills, clothing – these are just some of the everyday items affected by inflation, holding Canadians back from retiring when they would like to,” said Peter Bowen, Vice President, Tax and Retirement Research, Fidelity. “The value in having a written financial plan is a theme we see year after year, and yet the majority of Canadian’s don’t have one. The ones who do are working with a financial advisor, and overall, they’re developing healthier saving and investing habits.”

For more information about the 2023 Fidelity Retirement Report, visit [www.fidelity.ca/retirement](http://www.fidelity.ca/retirement).

## **Get right up to the minute updates and insights from Fidelity**

For Canadians interested in learning more about the latest changing retirement trends and what steps they can take to be more resilient, Peter Bowen and Michelle Munro, Director, Tax and Retirement Research, will be providing their insights on this year's results across all Fidelity platforms, including: *The Upside* live webcasts, *FidelityConnects* podcasts, written commentary on Fidelity Canada social media channels, and on [Fidelity.ca](https://www.fidelity.ca). Additionally, Michelle Munro will be hosting an "Ask Me Anything" (AMA) on Reddit on June 26 at 12:00 p.m. EST, on [r/fidelitycanada](https://www.reddit.com/r/fidelitycanada).

Journalists and researchers are welcome to contact Fidelity for more detailed briefings on the report's insights.

## **About the 2023 Fidelity Retirement Report**

The Fidelity Retirement Report is focused on how Canadians near, and already in, retirement approach the next stage of their lives. This study was commissioned by Fidelity Canada and was fielded between March 1st and March 13th, 2023. A total number of 1,920 Canadians were surveyed (49% male, 51% female), with a median age of 62. A disproportionate sample of pre-retirees and retirees was surveyed to allow for regional and gender analysis. The results were then weighted to reflect the national proportionate distribution of those 45 years of age and older. Total sample results are accurate to +/- 2.31 percentage points, 19 times out of 20.

The inaugural Fidelity Retirement Survey was in 2005, and every year since then Fidelity has been providing insights into the attitudes and behaviour of Canadian pre-retirees and retirees. Three years ago, the World Health Organization declared COVID-19 a pandemic, and in spring 2023 determined it was no longer a global health emergency. However, as one situation stabilizes, others have fluctuated. This year's report did a deep dive on the latest trends affecting Canadians – market volatility, inflation, the housing crisis, and the future of the Canadian dollar – which are all top of mind for those planning for and living in retirement.

No matter where you are in your retirement journey, the insights shared in the Fidelity Retirement Report can help you feel better prepared as you navigate your path to – or in – retirement. For some Canadians, retirement means spending more time with friends and family; for others, maybe it's the freedom to travel around the world, learn a new language, pick up the guitar, grow their dream garden, or adopt a second (or third) pet – the next chapter opens up many new pathways to enjoy your time after years of work invested in your career.

## **About Fidelity Investments Canada ULC**

At Fidelity, our mission is to build a better future for Canadian investors and help them stay ahead. We offer investors and institutions a range of innovative and trusted investment portfolios to help them reach their financial and life goals.

As a privately-owned company, our people and world class resources are committed to doing what is right for investors and their long-term success. Our clients have entrusted us with \$202 billion in assets under management (as at June 5, 2023) and they include individuals, financial advisors, pension plans, endowments, foundations and more.

We are proud to provide investors a full range of domestic, international and global equity and income-oriented mutual funds, ETFs, asset allocation strategies, managed portfolios, sustainable investing products, alternative mutual funds and a high net worth program. Fidelity is available through a number

of advice-based distribution channels including financial planners, investment dealers, banks and insurance companies.

This information is for general knowledge only and should not be interpreted as tax advice or recommendations. Every individual's situation is unique and should be reviewed by his or her own personal legal and tax consultants.

Commissions, trailing commissions, management fees, brokerage fees and expenses may be associated with investments in mutual funds, asset allocation services and ETFs. Please read the mutual fund or ETF's prospectus, which contains detailed investment information, before investing. Mutual funds and ETFs are not guaranteed. Their values change frequently. Past performance may not be repeated.

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