

Planning for a comfortable retirement

If you want to maintain your current standard of living when you enter your golden years, you'll need to begin investing right away. Things have changed: you can no longer count on government benefits alone if you want to live your "second life" to the fullest, especially as our life expectancy continues to increase.

Let's take the example of a Quebecer who has no personal savings or employer-sponsored pension plan, but who has made the maximum contribution throughout his working life to the government pension plans. If he were to retire this year at 65, he would be fortunate enough to be entitled to the maximum government benefits. This means that for 2004 he would receive \$814.17 from the *Régie des rentes du Québec* and, normally, \$462.47 in federal Old Age Security payments, for a grand total of a fully taxable annual income of \$15,320.

If, however, that same individual had systematically invested \$200 a month between the ages of 35 and 65 in a well-diversified portfolio made up of shares and bonds (assuming an annual compound return of 6%), he would now have an additional \$200,903 in his retirement nest-egg. And, if he were to reinvest some of that money with the help of an investment advisor, he could have an additional retirement income stream.

So, as you can see, regardless of your age or financial situation, it is important to begin investing today so that your capital can grow through compounded returns until your retirement. To get started, we recommend that you consult a National Bank investment advisor. He will propose the best asset mix for you, based on your tolerance for risk and your financial needs. Just stop by one of our branches or call the National Bank Securities Advisory Service at 1-888-270-3941 or (514) 871-2082 between 8:00 a.m. and 8:00 p.m., Monday through Friday.