SV WEALTH - NEWSLETTER

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A Better Way to Build Your Future

Planning for the future starts with choosing the right tools to save and invest effectively. With rising costs and ongoing tax considerations, making informed decisions about where to allocate your savings can have a meaningful impact over time. Understanding how Canada's registered savings accounts work — and how they can complement one another — is an important step toward building a more efficient and flexible financial plan.

As we celebrate Family Day, it's a reminder that financial planning is not just about numbers—it's about supporting the people who matter most. By integrating investments and retirement planning, we help create a holistic strategy that delivers growth, protection, and peace of mind for you and your family.

Choosing the right account depends on your goals, time horizon, and tax situation. Often, a combination of these accounts can help maximize tax efficiency and support multiple financial objectives over time.

RRSP, TFSA, and FHSA - Explained

When planning for your financial future, Canada offers three key registered savings accounts: the Registered Retirement Savings Plan (RRSP), the Tax-Free Savings Account (TFSA), and the First Home Savings Account (FHSA). Each account is designed to support different financial goals and offers distinct tax advantages.

RRSPs are designed to support long-term retirement savings by allowing contributions to be deducted from taxable income, which can reduce taxes today. Investments grow on a tax-deferred basis, with taxes paid only when funds are withdrawn, often in retirement when income may be lower.

RRSPs can be particularly effective for individuals in higher tax brackets and may also be used strategically through programs such as the Home Buyers' Plan or Lifelong Learning Plan.

TFSAs offer flexibility for both short- and long-term financial goals. Contributions are made with after-tax dollars, but all investment growth — including interest, dividends, and capital gains — is earned tax-free. Withdrawals can be made at any time without tax consequences, and withdrawn amounts are added back to contribution room in future years, making TFSAs a versatile tool for savings, investing, or income needs.

FHSAs are designed to help first-time homebuyers save toward a qualifying home purchase by combining features of both RRSPs and TFSAs. Contributions are tax-deductible, while qualifying withdrawals used to purchase a first home are tax-free. With annual and lifetime contribution limits, FHSAs encourage disciplined saving and can play a valuable role in a broader financial plan for those working toward homeownership.

Market Review: January Update

Equity markets delivered mixed performance in January as investors weighed economic resilience against persistent interest-rate uncertainty. Both Canadian and U.S. markets continued to show sector-specific leadership rather than broad-based gains.

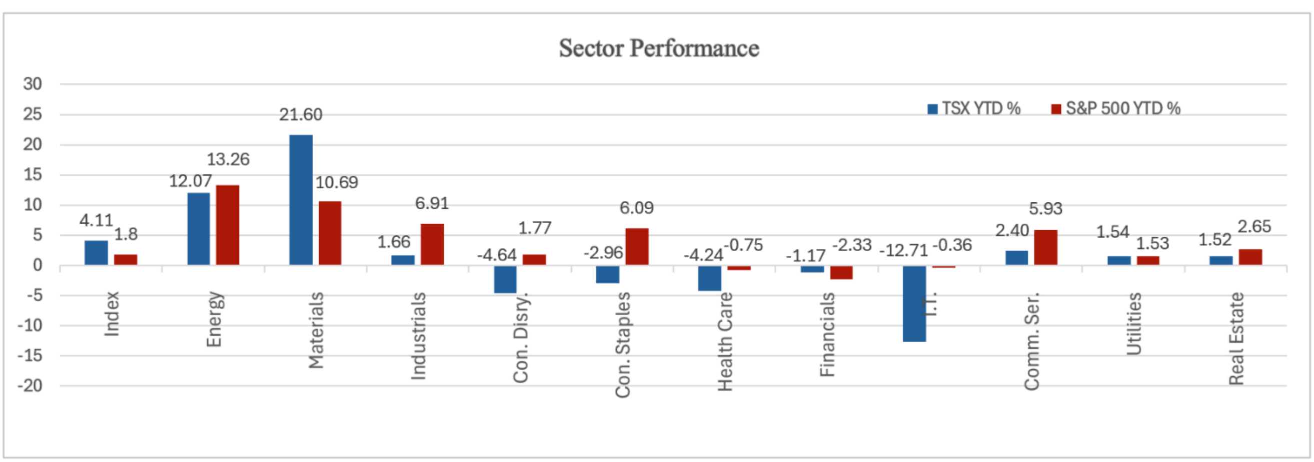
Energy: Continued strength in oil prices supported Energy stocks, keeping the sector among the top performers in both Canada and the U.S.

Materials: Canadian Materials remained a standout, benefiting from firm precious-metal prices and ongoing demand for critical minerals.

Industrials: U.S. Industrials outperformed their Canadian counterparts, supported by infrastructure spending and improving manufacturing data.

Technology: Technology lagged, particularly in Canada, as higher-for-longer rate expectations weighed on valuations.

Sector Composition: The Market performance reflected differing sector exposures. Strength in Energy and Materials supported the TSX, while weaker performance in Information Technology weighed on overall returns, particularly in Canada.



Information as of January 30, 2026, Source: FactSet

Rates at a glance:

Interest-rate conditions remained largely unchanged in January, with central banks maintaining a cautious stance.

Canada: The prime rate remained at 4.45%, while bond yields stayed relatively stable across the curve, reflecting expectations for gradual easing later in the year.

United States: The Federal Reserve held its policy rate at 6.75%, with U.S. bond yields remaining higher than Canada's, continuing to attract global capital.

GIC	Rate
1 Year	3.40%
3 Year	3.80%
5 Year	3.80%

Information as of January 30, 2026, Source: FactSet

INDEX	Closing Value	YTD%
S&P/ TSX Composite	33,016	4.11%
S&P 500 Index	6,969	1.80%
Dow Jones Industrial Avg.	49,072	2.10%
NASDAQ Composite	23,685	1.91%

Information as of January 30, 2026, Source: FactSet

Rate Type	Canada	United States
Prime Rate	4.45%	6.75%
2-Year Bond Yield	2.57%	3.56%
5-Year Bond Yield	2.88%	3.81%
10-Year Bond Yield	3.34%	4.23%

Information as of January 30, 2026, Source: FactSet

Final Reflections

With interest rates still elevated and markets beginning to price in potential cuts later in the year, thoughtful financial planning remains essential. Using registered savings accounts such as RRSPs, TFSAs, and FHSAs strategically can improve tax efficiency, enhance flexibility, and support progress toward long-term objectives. By aligning these tools with individual goals, time horizons, and cash-flow needs, investors can remain focused on outcomes while navigating short-term uncertainty. A disciplined, diversified approach helps build resilience and keeps financial strategies on track as economic conditions continue to evolve.