



Reuter Benefits Group Plan Member Newsletter

January 2010

2010 Market Outlook

After a sharp drop in the fall of 2008, stock markets were further challenged in the first two months of 2009 with more losses.

Fortunately, we started to see a recovery in March 2009 which continued to the end of the year. Positive returns in the financial sector and continued improvement in the resource sector contributed to a 35% increase in the Canadian stock market for 2009.

While the markets are currently not as volatile, we do expect to see continued volatility in 2010 as the market continues to recover.

During periods of economic rebound, economists expect an increase in interest rates and consequently Bond funds may generate lower rates of return.

Another factor that could affect the value of investors' portfolios is the value of the Canadian dollar. The Canadian dollar continued to increase in value versus the U.S. dollar in 2009. This can have a negative impact on investors' foreign investment holdings, as a positive rate of return earned in a foreign fund could be reduced once converted back into Canadian dollars.

We encourage investors to stay the course and review their investments when they receive their year end statement to ensure they are invested according to their risk tolerance.

The Reuter Benefits team of professionals is available to assist members in understanding their investments and planning for their retirement. Please contact us at retire@reuterbenefits.com or call us at 1-800-666-0142.