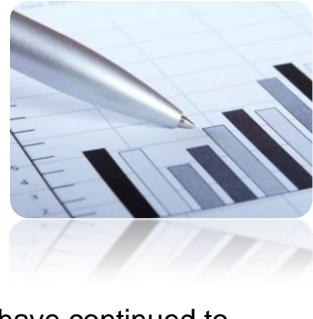


2015 Economic Review and Future Forecast

2015 In Review

2015 was marked with volatility for Canadian investors. The Canadian stock market was impacted by significantly lower oil and commodity prices and a declining Canadian dollar. The S&P/TSX index realized a -8.3% loss while bonds provided a modest return of 3.5% for the year.

Most of the returns reported on investments outside of Canada were robust in 2015: the S&P 500 Index return was 21% and the MSCI EAFE Index return was 18.8%. Although these results appear strong, it is the conversion back into the Canadian dollar that significantly boosted the returns.



Outlook for 2016

The year started with significant volatility as global equities and commodity prices have continued to fall. Concerns about slower global economic growth (in particular, China) as well as the continued drop in oil prices to under \$30 per barrel (US\$) have contributed to negative investor sentiment. Due to Canada's market concentration in oil and resources, some Canadian equity investors have been more affected. Some analysts predict that prices will not turn around until there is a decline in the oil supply.

In 2016 and beyond, investors need to remember three key points when investing:

Diversify. Many investors who have chosen Asset Allocation Funds did not realize a negative return in 2015 due to geographic diversification in their portfolios. Members are encouraged to remember the advantages of having investment managers carefully construct a diversified portfolio tailored to your investor risk profile that is best positioned to weather all market conditions.

Think long-term. Reacting hastily to short-term market declines can undo your long-term investment strategy. Continuing to invest during down cycles of markets through ongoing contributions to your group plan enables you to buy your investments "on sale".

Risk tolerance and long-term goals. Take the time to periodically review your investments to ensure they still align with your long-term goals. This becomes increasingly important as you approach retirement.

To discuss your investment returns and the impact of markets on your retirement plan, contact Reuter Benefits' team of licensed professionals at 1-800-666-0142 or retire@reuterbenefits.com.