

MAX your RRSP Strategy

Catch Up Strategy Analysis

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Assumptions

\$500	New monthly investment
50%	% for forced savings
33.3%	Tax rate
5.0%	Annual return (expected)

Current Behaviour

0%	% of RRSP refunds reinvested
20%	% of time that skip contributions
0.0%	Current inflate rate for savings

Catch Up Loan

\$250	Monthly loan payment
9	Term (years)
7.0%	Interest rate

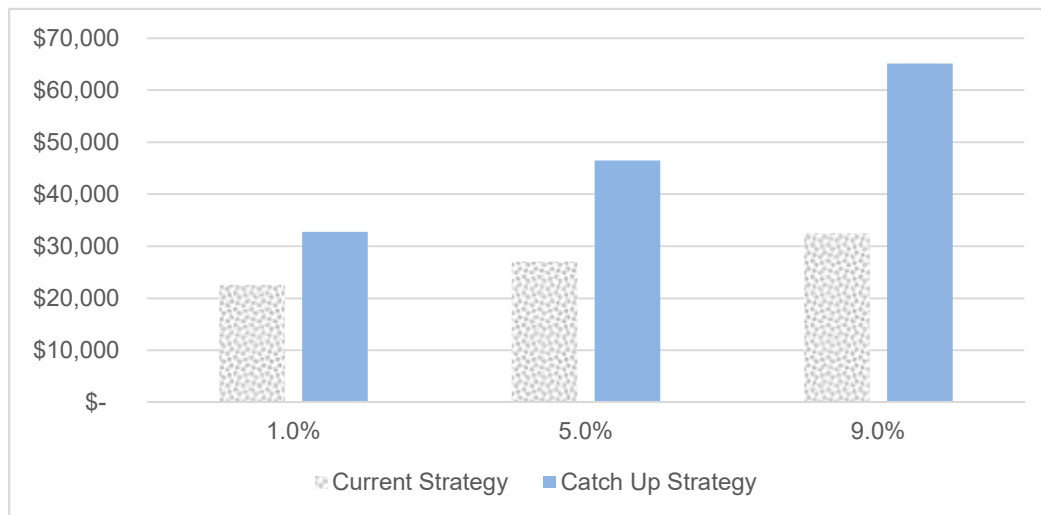
\$29,983	Initial Loan
33.3%	Tax rate for Catch Up refund
\$19,990	Loan balance after refund

Compares investing \$250/mn for Catch Up payments to Current Behaviour (skip 20% of contributions, reinvest 0% of refunds, and inflate 0%), for 9 years.

Based on the assumptions, the Catch Up Strategy is better when returns exceed -6.6%.

Catch Up Analysis Summary

RRSP Values after 9 Years, 7.0% Loan, 5.0% Returns



	RRSP Value	\$ Increase	% Increase
Current Strategy	\$27,065	N/A	N/A
Catch Up Strategy	\$46,514	\$19,449	72%