Bringing your financial "big picture" into focus

IS CONSOLIDATION RIGHT FOR YOU?

If you find your financial situation becoming too complicated, with a multitude of investment accounts at various institutions, consolidation may be the solution.

Consolidation involves bringing together all your investments into one overall plan or strategy, greatly reducing the number of individual accounts you hold. This approach offers several key advantages, including simplified finances, better co-ordination and reduced fees.

UNDERSTAND YOUR OVERALL FINANCIAL SITUATION

One of the key advantages of consolidation is that it helps you see exactly where you stand, financially. If your investments are dispersed among various institutions, it can be difficult to answer basic questions like, "What is my total rate of return?" and, "What is my allocation between stocks, bonds and cash?" To determine the answers, you would have to gather together various account statements and make the calculations manually. But with consolidation, because you have fewer account statements, you can determine the answers to questions like these more easily, and get a better sense of your financial "big picture."

LEAVE NO STONE UNTURNED

With a better understanding of your overall financial situation, you can create a complete financial strategy that much easier. Depending on your individual situation, your strategy could include:

› A personalized investment portfolio

› A customized financial plan

› Wealth management strategies to reduce taxes, enhance your retirement and create a lasting legacy for your family and charitable causes ▶

Consolidation: Key advantages

✓ Simplify your finances

✓ Know if you are on track to achieving your retirement goals

✓ Easier to keep track of your investments

✓ Avoid unnecessary duplication of investments

✓ One source for all your investment needs

✓ Lower costs with fewer accounts

- Co-ordination of all your registered and non-registered investment assets
- Guidelines for allocating your investments among the major asset classes, including stocks, bonds and cash, based on factors such as your personal risk tolerance and investment timelines
- A clear process for regularly reviewing your progress and making necessary adjustments based on your changing needs and current market conditions

GAIN PEACE OF MIND

Consolidation can also provide peace of mind by reducing risk. Because it's easier to keep track of your investments, it's easier for you to structure them in a diversified portfolio – and diversification is the most effective way to reduce risk.

There are three main ways to diversify your investments:

1. By asset class

Cash and bonds provide greater stability, while stocks provide greater long-term return potential.

2. By geographic area

Holding investments from various parts of the world enables you to offset the risk of a market downturn in any given area, including Canada.

3. By industry sector

Different sectors of the economy perform better than others at different times. By diversifying your stock holdings among various sectors, you can offset weaker performance in one sector with stronger performance in another.

ONE TRUSTED ADVISOR FOR ALL YOUR NEEDS

By consolidating with RBC Dominion Securities, you receive:

- Personal advice based on your individual situation
- One-stop shopping for your various wealth management needs, including investing, financial planning, retirement planning and more
- Unparalleled access to growth and income investments on a global basis
- The peace of mind of working with RBC®, Canada's leading financial group, which was recently named one of the "World's Top 10 Safest Banks" (*Global Finance 2009*)

Easier and more cost-efficient

With consolidation, it is easier and more cost-efficient to implement changes to your overall investment mix. As a hypothetical example, say you own 1,000 shares of ABC Company and you decide to sell them all. You hold the shares at three different financial institutions. To sell them, you would have to contact three different people and pay for each individual transaction. But if you held your ABC Company shares all in one account, you would just have to contact one person to sell them, plus you could also reduce your total transaction costs.

30-second quiz: Should you consolidate?

If it's difficult for you to keep track of your investments, consolidation can help. Answer these four questions to help determine if consolidation is right for you.

1. Off the top of your head, do you know how many different investment accounts you have, including registered and non-registered accounts?

   ☐ Yes ☐ No

2. Do you know your combined rate of return from all your investments?

   ☐ Yes ☐ No

3. Do you know the combined percentage of each type of investment (stocks, bonds, cash, mutual funds, etc.) you own?

   ☐ Yes ☐ No

4. Do you know how much of each type of investment income (interests, dividends, etc.) all your investments are earning?

   ☐ Yes ☐ No

If you answered "NO" to any of these questions, you will benefit from consolidation. If you answered "NO" to three or four of these questions, consolidation is a **must**.

› Please contact us to discuss how consolidation makes it easier to achieve your financial goals.

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