



in touch

retiree
pension
bulletin

Protecting Your Identity During the Holiday Season

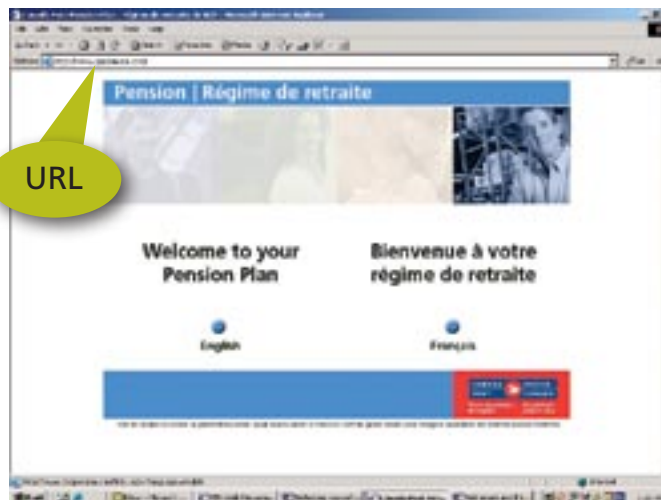
The smell of gingerbread fills the kitchen air. Grandchildren's smiles seem to grow as anticipation for the magical morning builds. 'Tis the holiday season once again. Despite all of the delights that the holiday season brings, you may want to make sure your credit cards and bank accounts are safe so you are able to afford those lengthy wish lists.

The results of an Ipsos-Reid study published in September of 2004 show that six-in-ten people 55 years of age and older have access to the Internet. This is a significant jump from the 48% found at this time in 2003. Due to the recent rise in Internet usage among senior citizens, it is important to know how to protect yourself against potential identity fraud. Identity fraud is when an individual uses your personal information, such as your credit card and banking data, in order to commit fraudulent acts, essentially leaving you with the cost.

According to PhoneBusters, the Canadian Anti-Fraud Call Centre, Canadian citizens lost an approximate total of \$22,000,000 due to identity fraud in 2004. Identity theft is rapidly becoming more pervasive as we use the Internet more frequently.

If you use e-mail to stay in contact with family and friends, bank or shop online, you are urged to be aware of these identity theft schemes:

- You will receive an e-mail from an Internet thief impersonating an established organization. The e-mail will ask you for personal information. Do not send your personal information, instead, contact the company directly and verify that your information is required.
- Web pages are often created to mirror existing, credible Internet sites where you must enter your personal information. Make sure the URL address you entered is accurate in order to ensure you are visiting the appropriate page. ❖



Prevention and awareness are the keys toward protecting yourself against Internet fraud. If you feel you may have been a victim of identity fraud, please visit this website: http://www.safecanada.ca/identitytheft_e.asp and follow the relevant guidelines.

DID YOU KNOW?

That your bridge benefit will be discontinued beginning in the month following your sixty-fifth (65th) birthday. Also, if you haven't already done so, you may be eligible to apply to receive a Canada Pension Plan (CPP)/Quebec Pension Plan (QPP) benefit. ❖

Holiday Wishes

All of us at Pension Services wish all of you a happy and healthy holiday season.

Canada Post
Corporation
Registered
Pension Plan
**Performance
Results for
April 1 to
June 30, 2005**

Market Conditions

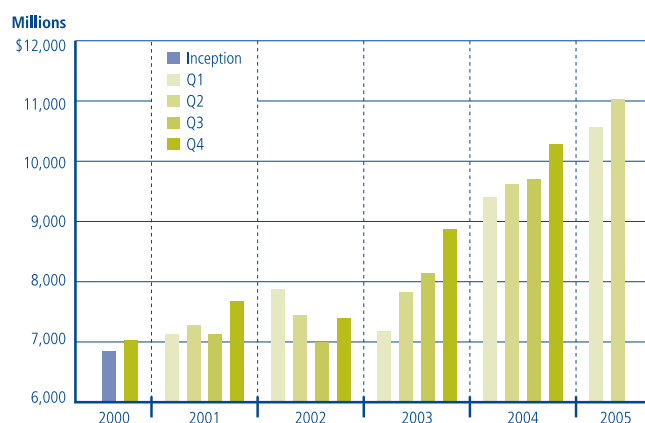
The Canadian equity market rose 3.6% during the quarter on strength in the energy sector as oil continued to move higher. U.S. market returns were also positive, while International markets were flat as market gains were offset by an increase in the Canadian dollar against most international currencies. Bond markets performed strongly in the second quarter as the yield curve flattened on declining long-term rates and no movement by the Bank of Canada to increase short-term interest rates. ❖

ASSET CLASS	MARKET VALUE (IN MILLIONS)	2005 APR-JUN	2005 YTD	2004 ANNUAL	2003 ANNUAL	2002 ANNUAL	2001 ANNUAL
Fixed Income							
Cash & Short Term	\$ 488.9	0.7%	1.3%	2.4%	2.9%	2.4%	4.3%
Canadian Bonds	3,382.6	4.3%	5.5%	9.6%	8.4%	10.2%	7.3%
Equities							
Canadian Equities	3,892.0	4.0%	9.4%	15.6%	25.5%	-11.6%	-7.7%
U.S. Equities	1,970.4	3.6%	1.9%	4.9%	7.5%	-20.9%	—
International Equities	1,287.9	0.3%	1.4%	13.3%	7.3%	-21.6%	—
Total Registered Pension Plan	\$ 11,021.8	3.43%	5.63%	11.13%	13.87%	-6.99%	5.10%

Investment Highlights

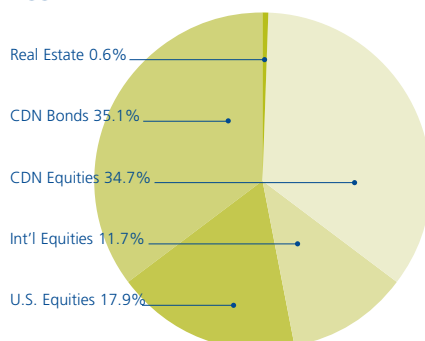
- The fund's second quarter return was 3.43% versus our benchmark of 3.46%. Year to date, the return was 5.63% versus our benchmark of 5.00%.
- As at June 30, 2005, the fund held assets of \$11,021.8 million.
- The fund received net contributions of \$169.8 million in the second quarter, including \$121.9 million in special solvency payments. We reduced the Canadian equity allocation by \$150.0 million and allocated \$135.0 million to U.S. equities and \$65.0 million to International equity. \$1.2 million was added to Real Estate, and cash & short-term investments increased by \$117.9 million. ❖

FUND ASSETS – OCT 2000 TO JUN 2005



Asset Mix Highlights

ASSET MIX



- As at June 30, 2005, 64.9% of assets were invested in equities and real estate, above the asset mix target of 62.5%. Of the total, Canadian equities represented 34.7%, U.S. equities 17.9%, International equities 11.7%, and real estate 0.6%.
- 35.1% of assets were invested in bonds and short-term investments, compared to an asset mix target of 37.5%. This included 7.3% in real return bonds, 23.4% in Canadian bonds and 4.4% in cash and short-term investments. ❖

PENSION BENEFIT INCREASE FOR 2006

We are pleased to announce that your pension benefit will increase by 2.24% beginning with your January 2006 monthly pension payment. If you retired in 2005, the percentage increase will be based on the number of full months you have been retired. For example, if you retired at the end of September, your increase will be 2.24% x 3/12, or 0.56%. ❖

Do you have a topic in mind for our next "intouch" bulletin?

Please submit any suggestions or comments in writing to:

PENSION SERVICES
2701 RIVERSIDE DR
SUITE B320E
OTTAWA ON K1A 0B1

Publication Mail Agreement No. 40020903

OR send an e-mail directly to:
pension.services@canadapost.ca