

Market Update

July 2019

Important Topic: Eating Healthy and Exercising

Financial plans are designed to ensure financial security throughout one's life and they therefore take Longevity into consideration.

Our financial plans incorporate the real possibility that men will live to the age of 92 and women to the age of 95. 25% of Canadians are living this long (many even longer), and this percentage continues to increase.

However, the quality of such a long life is in your hands.

I encourage you to take the time and money to maintain your health through proper nutrition and exercise. You, and your loved ones, will be glad that you did.

If going to the gym is an issue, let's invest in some exercise equipment and weights for your home. If motivation is an issue, let's hire a personal trainer. If eating right is an issue, let's hire a nutritionist that will help plan easy proper meals. And if money is an issue, let's consider why we have worked so hard to earn it in the first place.

Whether 30 or 90, whether in good health or poor, a few smart choices today can have tremendous impact on the quality of your life tomorrow.



Market Update – July 2019

July was a continuation of June with the same concerns, the same variety of data points with some pointing upward and others downwards, the same confusing leadership, and the same overall emotional state. Things are ok, on balance, but many are preferring to worry. Eventually all good times are interrupted by downturns and instead of focusing on the continuation of this bull market or on the inevitable recovery of any downturn, there is a tremendous amount of time being spent focusing on anything worrisome and especially anything fearful.

While the fear based on deteriorating Chinese-US trade relations abated (though without any resolution) other fears have taken its place.

TD Wealth Private Investment Advice

5140 Yonge Street, Suite 1600
North York, Ontario M2N 6L7
T: 416 512 6689



While intending to be humorous, a recent cartoon captured the meaningless circular reasoning that dominates the financial news. The cartoon featured a financial newsman reporting that markets went up when analysts realized that a possible interest rate cut would spur on economic activity leading to continued strong earnings, but then went down when they realized that a continued economic expansion would trigger inflation which would require higher interest rates and that would lower future earnings, but then went up when they realized that lower earnings would result in a lowering of interest rates ...

This is all true but will take years to play out. Trying to figure out when each step will occur is impossible – but this does not stop everyone from trying. One cannot time these changes as one cannot even be sure in which decade they will occur.

Year-to-date, the markets remain strong. Most equity markets around the world have posted attractive gains year-to-date, while at the same time, the bond market saw prices rise as interest rates fell. It seems a profitable year with only a few exceptions.

Looking forward, we believe the economy is still performing just fine by most measures, only slowing slightly, political uncertainty and volatility remains high (and likely will for the foreseeable future), and inflation remains benign. As a result, we are neutral in the short term, but positive in the medium and long term. We continue to hold our positions and invest cautiously.

For the month, the bond market was up 0.1%, the Canadian market was up 0.5%, the US market was up 0.3%, International markets were down 1.7%, the Emerging markets were down 1.4%, the Real Estate market was up 0.2% and the preferred market was up 1.5%. (Reuters)

Year-to-date, the bond market is up 6.8%, the Canadian market is up 15.8%, the US market is up 16.1%, International markets are up 10.5%, the Emerging markets are up 4.0%, the Real Estate market is up 14.8% and the preferred market is up 0.2%. (Reuters)

Have a great month and let us know if there is anything we can do for you,

Meir

Meir J. Rotenberg, MBA, CFA®
Vice President & Investment Advisor
meir.rotenberg@td.com

Adam D. Shona, B.Comm
Associate Investment Advisor
T: 416 512 7645
adam.shona@td.com

Nelson Gordon
Client Service Associate
T: 416 512 6813
nelson.gordon@td.com

TD Wealth Private Investment Advice

5140 Yonge Street, Suite 1600
North York, Ontario M2N 6L7
T: 416 512 6689



The information contained herein has been provided by Meir Rotenberg, Vice President and Investment Advisor and is for information purposes only.

The information has been drawn from sources believed to be reliable. The information does not provide financial, legal, tax or investment advice. Particular investment, tax, or trading strategies should be evaluated relative to each individual's objectives and risk tolerance.

Certain statements in this document may contain forward-looking statements ("FLS") that are predictive in nature and may include words such as "expects", "anticipates", "intends", "believes", "estimates" and similar forward looking expressions or negative versions thereof. FLS are based on current expectations and projections about future general economic, political and relevant market factors, such as interest and foreign exchange rates, equity and capital markets, the general business environment, assuming no changes to tax or other laws or government regulation or catastrophic events. Expectations and projections about future events are inherently subject to risks and uncertainties, which may be unforeseeable. Such expectations and projections may be incorrect in the future. FLS are not guarantees of future performance. Actual events could differ materially from those expressed or implied in any FLS. A number of important factors including those factors set out above can contribute to these digressions. You should avoid placing any reliance on FLS.

TD Wealth Private Investment Advice is a division of TD Waterhouse Canada Inc., a subsidiary of The Toronto-Dominion Bank. All trademarks are the property of their respective owners. © The TD logo and other trade-marks are the property of The Toronto-Dominion Bank.

BCNews-MR-0819