Market Update

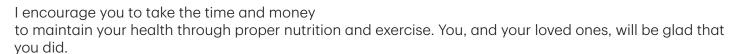
July 2019

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.



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.



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.





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Market Update June 2019

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

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