



An Important Note: Healthy Abilities to Accumulating Wealth

Warren Buffett's long-term success was once summarized as "if you can grit your teeth through, and just disregard, short-term declines in the market or even long-term declines in the market, you will come out well." Buffett has shown the ability to stick with his investment strategy for decades on end. One hedge fund manager went so far to say "Having, and sticking to, a true long term perspective is the closest you can come to possessing an investing superpower."

Here are some others:

The ability to delay gratification. The whole process of investing involves putting off consumption now for consumption later. The ability to wait when it comes to spending money can help you - get out of debt, compound your money for future use, and give you a margin of safety when things inevitably go wrong. Patience with your finances can make that future gratification feel even better when it finally happens.

The ability to witness your neighbor getting rich or buying stuff without getting FOMO (the fear of missing out). Money is almost always relative when we think about our position in life. When we see other people getting stuff it triggers all sorts of thoughts and emotions. But the truth is you never know the real financial circumstances of your peers, friends, family or co-workers. They may be spending money they do not have. Wealth is technically the absence of spending money on too much stuff.

The ability to further your career. The secret most personal finance professionals don't tell

you is the best way to save and get ahead is only partially about being frugal. More important is making more money. A higher income does not solve all of your financial problems nor does it guarantee your happiness, but it can make life a whole lot easier. This is an obvious but often overlooked aspect of personal finance. The ability to improve your career prospects and therefore your earnings potential offers a huge advantage.

The ability to avoid lifestyle creep. Making more money makes your life easier but the ability to keep your wants relatively constant is the key.

The ability to stop comparing yourself to other people's earnings or jobs. Jealousy can be a killer when it comes to your finances but also life in general. It's hard to find contentment when you're constantly trying to copy the career path of other people or worrying how much others make.

An addiction to learning. Being smart can get you places in life but intelligence has its limits. An insatiable curiosity is far more helpful because the world is constantly changing. You should be consistently learning.

An ability to set realistic expectations. Mistakes are made when there is a misalignment between expectations and reality. When it comes to money, both are constantly changing. Setting a reasonable range of outcomes in financial matters can help set realistic expectations, and help avoid the overreactions that tend to accompany life's frequent curveballs.



An ability to be uncomfortable. When it comes to finances one should expect to be a tad uncomfortable. Investors are often uncomfortable with their current positions because we live in an uncertain world and there are always other investments that are performing better than our own.

Being uncomfortable is a prerequisite when trying to get ahead financially.

An ability to be satisfied with what you have. Everyone says their main goal in life is to be happy but happiness is just a feeling that comes and goes. Contentment and satisfaction with what you have in life may be a more worthy goal than happiness.

Find me someone who is content with their life and I'll show you a person who is truly wealthy.

Market Update – June 2021

June was an excellent month, capping a strong six month run.

In general the current market and economic environment remain strong. Earnings and sales momentum are accelerating. The economic recovery is robust and appears as if it will remain so for a bit. Governments appear

committed to keeping key interest rates low through 2023. Consumers appear to be increasing their spending, and job growth is strong. At this time we are comfortable being invested and investing.

Things are so good that I feel the need to remind everyone that the stock market is not predictable. Conditions can change at any time. More importantly, expectations, perceptions and interpretations can change quickly. Such changes can take the markets down for a period of time until it recovers, and this period of time can last a day, a month, a year or even longer. This is the reason we have a diversified portfolio. Not all of our investments are doing as well as others in this environment but, if I may quote Bob Dylan, “the first one now shall later be last”. The portfolio is built for the unknown future with the expectation that different allocations will perform better at different times.

My conclusion remains that same as always: focus on the longer-term. Environments constantly change and there is no telling how long one will last or what will come next. Instead, remember that your portfolio is positioned to return what you need to meet your long-term goals. That is the only objective that truly matters.





We are cautiously positive in the short term, and positive in the medium and long term. We continue to hold our positions and invest cautiously.

For the Quarter, the bond market was up 1.8, the Canadian market up 9.0%, the US market was up 7.0%, International markets were up 4.1%, the Emerging markets were up 2.0%, the Real Estate market was up 10.1% and the preferred market was up 4.4%. (Reuters 6/30/21)⁽¹⁾

Year-to-date, the bond market was down 3.5%, the Canadian market up 18.6%, the US market was up 12.7%, International markets were up 8.6%, the Emerging markets were up 6.4%, the Real Estate market was up 17.8% and the preferred market was up 14.4%. (Reuters 6/30/21)⁽¹⁾

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

- Meir

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⁽¹⁾ Indexes shown
Bonds FTSE Canada Universe Bond Index - CAD
Canadian Equity - S&P/TSX 60 Index - CAD
US Equity - S&P 500 - USD
International - MSCI EAFE Index - USD
Emerging Markets - MSCI Emerging Markets Index - CAD
Real Estate - Dow Jones® Global Real Estate Index - USD
S&P/TSX Preferred Share Index - CAD

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