



## Important Topic: TD Digital Vault is Now Live

TD Digital Vault is new secure portal that was introduced to allow us to share information without having to use email.

In short, TD Digital Vault facilitates two-way collaboration and provides advisors and clients with a secure, reliable online platform for document sharing.

Expected Benefits:

- Safe, efficient, and hopefully, user-friendlier alternative to TD Secure e-mail
- Access the platform directly through EasyWeb, Webbroker, or by logging in directly to TD Digital Vault website.
- Documents can easily be 'dragged and dropped' into the Vault.
- Our team is notified as soon as a document is placed into the Vault.
- Accommodates larger documents.
- Accommodates a variety of document types (PDF, MS Word, MS PowerPoint, MS Excel, as well as image files)

The initial log in will require a three-step process.

First, we need to activate your personal Digital Vault.

Second, you need to log in to EasyWeb, Webbroker, or directly into the TD Digital Vault website.

Third, you will be asked to login / verify authorization to start using the Vault.

This third step will not be needed again.

**As this is new**, I am asking for a few volunteers to report back and help us understand the experience from your end.

## Market Update:

### August 2024 – A Volatile Month, but Ended Higher

Markets in August were quite volatile with most equity markets falling the first 8 days and then recovering and reaching or coming close to all-time highs by the end of the month.

The fall at the beginning of August had much to do with the deleveraging of the “carry trade” and less to do with economic fundamentals. Allow me to explain.

The “Carry Trade” is where an investor borrows money in a very low interest environment (Bank of Japan had set interest rates at 0.0% to 0.1%), converts into USD (or CAD), and then invests.

The expectation is that the investment will greatly outperform the borrowing rate.

The only things that can go wrong is if either 1) the USD weakens against the Yen making the borrowing more expensive than anticipated or 2) the investment goes badly.



Given the low rates in Japan, the stronger (not weaker) USD, and the investment successes over the past year (even given their volatility), this proved to be a very profitable trade. It was done in very large amounts.

At the beginning of August there were several forces at play (including a larger than expected hike by the Bank of Japan) that led many to 'unwind' this 'carry trade'. Unwinding it meant selling the investments, converting to Yen and paying back the borrowings.

The result was a large amount of selling, and as you may know, a large amount of selling will drive prices down. This happened and it happened quickly.

A little over a week later the unwinding tapered off, and then stopped. And the market rebounded.

A good sign was that while the equity market fell the bond market held its own. We believe that the soft landing (slowing economy but still moving forward) is still the most likely scenario and we do not expect a recession (a hard landing).

So far, earnings continue to grow, consumers defying expectations continue to spend, wages remain strong, jobs are available (unemployment had risen), and there are still several trends, such as technology and health care, that are stimulating much change.

We remain optimistic about the rest of 2024 and are positive and optimistic about the medium, and long term.

Most importantly, we are confident about our ability helping our client's meet their objectives. At the end of the day this last point is all that truly matters.

Index	Month	Year to date
Bonds FTSE Canada Universe Bond Index - CAD	0.40%	2.20%
Canadian Equity - S&P/TSX 60 Index - CAD	1.60%	12.80%
US Equity – S&P 500 - USD	2.30%	18.70%
International – MSCI EAFE Index - USD	3.30%	12.10%
Emerging Markets - MSCI Emerging Markets Index - CAD	1.40%	10.20%
Real Estate - Dow Jones® Global Real Estate Index - USD	6.10%	8.20%
S&P/TSX Preferred Share Index - CAD	2.60%	18.90%



**Meir J. Rotenberg, MBA, CFA®**

Senior Investment Advisor  
TD Wealth Private Investment Advice  
T: 416 512 6689  
meir.rotenberg@td.com

**Adam D. Shona, B.Comm, CIM®**

Investment Advisor  
T: 416 512 7645  
adam.shona@td.com

**Nelson Gordon**

Client Relationship Associate  
T: 416 512 6813  
nelson.gordon@td.com

**Jon Bentley**

Client Service Associate  
T: 416 308 7064  
jon.william.bentley@td.com

**TD Wealth Private Investment Advice**

5140 Yonge Street, Suite 1600  
North York, Ontario M2N 6L7  
Fax: 416 512 6224  
Cell: 416 602 1614  
Toll: 800 382 4964



The information contained herein has been provided by Meir Rotenberg, Senior 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.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the fund facts and prospectus, which contain detailed investment information, before investing. Mutual funds are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer and are not guaranteed or insured. Their values change frequently. There can be no assurances that a money market fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment will be returned to you. Past performance may not be repeated.

Index returns are shown for comparative purposes only. Indexes are unmanaged and their returns do not include any sales charges or fees as such costs would lower performance. It is not possible to invest directly in an index.

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.

®The TD logo and other TD trademarks are the property of The Toronto-Dominion Bank or its subsidiaries.